

REMARKS

Please reconsider the application in view of the following remarks. Applicants thank the Examiner for carefully considering this application.

Disposition of Claims

Claims 1-4, 6-8, 19, 26, 33, 36, 38, 39, 45, 46, 65, 66, 71, 87, 88, and 102-106 are pending in the present patent application. Claims 1, 66, 71, 87, and 106 are independent. The remaining claims depend, either directly or indirectly, from claims 1, 66, 71, and 87.

Drawings

Applicants respectfully request the Examiner acknowledge the formal drawings filed on January 19, 2000, and indicate whether they are acceptable.

Information Disclosure Statement (IDS)

Applicants respectfully assert sheet 2 of the Information Disclosure Citation filed on August 24, 2000 has not been fully considered by the Examiner. Specifically, the Examiner has not initialed references C1, C2, and C3. As a courtesy, Applicants enclose a copy of the partially initialed PTO-1449 sheet, along with a copy of reference C1, C2, and C3. Applicants respectfully request the Examiner consider these three references and acknowledge such consideration.

Rejections under 35 U.S.C. §103

Claims 1-4, 6-8, 19, 26, 33, 36, 38, 39, 45, 46, 65, 66, 71, 87, 88, and 102-105 stand rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 4,823,264

(hereinafter "Deming"), in view of U.S. Patent No. 6,173,272 (hereinafter "Thomas"), and in further view of the article entitled: "From electronic money to electronic cash: payment on the Net" (hereinafter "Buck"). For the reasons set forth below, this rejection is respectfully traversed.

As an initial matter, Applicants believe the Examiner inadvertently omitted independent claim 106 from the list of rejected claims. See, Office Action dated June 5, 2007, at page 2 and at page 8. Accordingly, this response is based on the assumption that independent claim 106 also stands rejected under 35 U.S.C. §103(a) as being unpatentable over Deming, in view of Thomas, and in further view of Buck. If Applicants' assumption is incorrect, Applicants respectfully request the Examiner explicitly identify the prior art references being used to reject independent claim 106.

In order to establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. See MPEP §2143.

If the Examiner does not produce a *prima facie* case, Applicants are under no obligation to submit evidence of non-obviousness. The initial evaluation of *prima facie* obviousness thus relieves both the Examiner and Applicants from evaluating evidence beyond the prior art and the evidence in the specification as filed until the art has been shown to suggest the claimed invention. See, MPEP §2142

Applicants respectfully assert Deming, Thomas, and Buck, whether viewed separately or in combination, do not teach or suggest each and every limitation of the claims. Accordingly, Applicants respectfully assert the Examiner has failed to produce a *prima facie* case.

The Examiner contends that Thomas teaches a host system contacting the receiver using information provided by the sender. The Examiner further contends that Thomas teaches the host system receives from the receiver the designation of the target account for receiving the funds from the sender after the host system has contacted the receiver using the information provided by the sender. *See*, Office Action dated June 5, 2007, at pages 4 and 5. Applicants respectfully disagree with the Examiner. In fact, Applicants contend that the actual teachings of Thomas contradict what is asserted by the Examiner.

Thomas discloses a host system (*i.e.*, a trusted third party (TTP) system) configured to communicate with both a home banking system of a sender (*i.e.*, payor) and a bank maintaining the receiver's account (*i.e.*, target account). Thomas further discloses (i) the host system receives a universal identifier number (UIN) from the sender, (ii) the host system identifies the receiver (*i.e.*, payee) based on the received UIN, (iii) the host system extracts from the UIN the routing/transit number of the receiver's bank and the target bank account number, and (iv) the host system then communicates with the receiver's bank to electronically transfer money from the sender to the target account. Thus, Thomas explicitly discloses extracting the target account from the UIN received from the sender prior to contacting the receiver's bank. In other words, Thomas discloses the *target account is already known by the host system prior to contacting the receiver*. This squarely contradicts the Examiner's assertions regarding the

teachings of Thomas, including *the target account is NOT known prior to contacting the receiver, but rather the target account is obtained from the receiver.*

Despite the teachings of Thomas contradicting the Examiner's assertions regarding the teachings of Thomas, the Examiner further asserts by communicating with the payee's bank, the TTP is inherently getting payee's account information. *See*, Office Action date June 5, 2007, at bottom of page 5. Applicants respectfully assert the Examiner's inherency argument is flawed. When Thomas discloses communicating with the payee's bank, the payee's account information (*i.e.*, the target account) is already known. Thus, in order for the Examiner's assertion to be accurate, element (*iii*) disclosed by Thomas would effectively need to be ignored. In other words, in order for the Examiner's assertion to be accurate, it would be necessary to mischaracterize Thomas and/or alter primary mode of operation disclosed by Thomas to a procedure not even contemplated by Thomas, both of which are improper. *See*, MPEP §2143.03.

The Examiner further attempts to justify the flawed inherency argument with "otherwise why bother to communicate with payee's bank [in Thomas], simply mail the check to the payee and let him/her ... deposit the check... [and/or] mail the check to the payee's bank if the address is payee's bank." *See*, Office Action dated June 5, 2007, at bottom of page 5. Applicants respectfully assert Thomas, considered as a whole, is directed towards *electronic* money transfer. Accordingly, communication with the payee's bank, as set forth in element (*iv*) disclosed by Thomas, is needed to electronically transfer the money to the target account, and said communication with payee's bank takes place *only after payee's bank and payee's account number are known*. Thus, the TTP must know the payee's account number prior to

communicating with payee's bank (*i.e.*, receiver), which as discussed above, squarely contradicts the Examiner's assertions regarding the teachings of Thomas.

The Examiner admits the assertions regarding the teachings of Thomas are not disclosed by Deming. *See*, Office Action dated June 5, 2007, at page 3. Applicants have shown it is improper to assert Thomas teaches or suggests what Deming lacks. Buck, like Thomas, also does not teach or suggest what Deming lacks. Accordingly, Deming, Thomas, and Buck, whether viewed separately or in combination, do not teach or suggest the subject matter the Examiner asserts they teach or suggest. Accordingly, the Examiner's rejection of independent claim 1 is unsupported by the art and thus withdrawal of this rejection is respectfully requested. Claims 2-4, 6-8, 19, 26, 33, 36, 38, 39, 45, 46, 65, and 102 depend, either directly or indirectly from independent claim 1, and are thus patentable at least upon that basis. Thus, the Examiner's contentions also do not support the rejection of claims 2-4, 6-8, 19, 26, 33, 36, 38, 39, 45, 46, 65, and 102, and withdrawal of this rejection is respectfully requested.

The Examiner asserts independent claim 66 is rejected under the same rationale as claim 1. *See*, Office Action dated June 5, 2007, at page 7. As discussed above, the Examiner's contentions do not support the rejection of independent claim 1. Thus, Applicants asserts the Examiner's contentions do not support the rejection of independent claim 66 for at least the same reasons. Further, claim 103 depends directly on claim 66. Accordingly, the Examiner's contentions also do not support the rejection of claim 66, and withdrawal of this rejection is respectfully requested.

The Examiner asserts independent claims 71 and 87 are rejected under the same rationale as claim 1. *See*, Office Action dated June 5, 2007, at page 8. As discussed above, the

Examiner's contentions do not support the rejection of independent claim 1. Thus, Applicants assert the Examiner's contentions do not support the rejection of independent claims 71 and 87 for at least the same reasons. Claims 88, 104, and 105 depend, either directly or indirectly, from claims 71 and 87. Accordingly, the Examiner's contentions also do not support the rejection of claims 88, 104, and 105, and withdrawal of this rejection is respectfully requested.

The Examiner contends that Deming discloses receiving a first amount from a sender regarding a financial transaction, wherein the financial transaction is associated with the source account; comparing the first amount with a second amount, wherein the second amount is associated with the source account; and authenticating the sender based on at least comparing the first amount with the second amount. *See*, Office Action dated June 5, 2007, at page 8. Applicants respectfully disagree. Deming discloses authenticating a sender (*i.e.*, a payor) using a single personal identification number (PIN). Deming is completely silent regarding any other method of authentication. Thus, contrary to the Examiner's assertions, Deming does not teach or suggest using two amounts associated with a financial transaction to authenticate a sender. Buck and Thomas, like Deming, also do not support the Examiner's assertions. Accordingly, the Examiner's rejection of independent claim 106 is unsupported by the art and withdrawal of the rejection is respectfully requested.

Conclusion

Applicants believe this reply is fully responsive to all outstanding issues and places this application in condition for allowance. If this belief is incorrect, or other issues arise, the Examiner is encouraged to contact the undersigned or his associates at the telephone number

listed below. Please apply any charges not covered, or any credits, to Deposit Account 50-0591
(Reference Number 37202/028001).

Dated: September 5, 2007

Respectfully submitted,

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Enclosure — Partially Initialed PTO-1449 sheet with references C1, C2, and C3.

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(Use several sheets if necessary)

Applicant

Scott D. Cook et al

Filing Date

January 19, 2000

Group Art Unit

2768

U.S. PATENT DOCUMENTS

Examiner Initial		Document Number	Date	Name	Class	Subclass	Filing Date if Appropriate
HTD	A21	5,659,165	8/19/97	Jennings et al	235	379	
HTD	A22	5,623,547	4/22/97	Jones et al	380	24	
HTD	A23	5,557,516	9/17/96	Hogan	364	408	
HTD	A24	5,455,407	10/3/95	Rosen	235	380	
HTD	A25	5,453,601	9/26/95	Rosen	235	379	
HTD	A26	5,440,634	8/8/95	Jones et al	380	24	
HTD	A27	5,383,113	1/17/95	Kight et al	364	401	
HTD	A28	5,351,296	9/27/94	Sullivan	380	24	
HTD	A29	5,231,571	7/27/93	D'Agnostino	364	408	
HTD	A30	5,220,501	6/15/93	Lawlor et al	364	408	
HTD	A31	5,025,372	6/18/91	Burton et al	364	406	
HTD	A32	5,010,484	4/23/91	Bigari	364	408	
HTD	A33	4,941,090	7/10/90	McCarthy	364	405	
HTD	A34	4,866,611	9/12/89	Cree et al	364	300	
HTD	A35	4,823,264	4/18/89	Deming	364	408	
HTD	A36	4,750,119	6/7/88	Cohen et al	364	401	
HTD	A37	4,713,761	12/15/87	Sharpe et al	364	406	
HTD	A38	4,645,873	2/24/87	Chomet	379	93	
HTD	A39	4,454,414	6/12/84	Benton	235	379	

OTHER DOCUMENTS (Including Author, Title, Date, Pertinent Pages, Etc.)

C1 "Just Plain Bill", ComputerLetter, Vol. 16, No. 4, pp 1-5 (January 2000).

C2 "Small Change", ComputerLetter, Vol. 12, No. 10, 4 pages (March 1996).

C3 Payments Publications, Herndon, VA, 21 pages, (1999).

EXAMINER

HTDass

DATE CONSIDERED

10/29/02

EXAMINER: Initial if references considered, whether or not citation is in conformance with MPEP § 606; Draw line through citation if not in conformance and not considered. Include copy of this form with next communication to applicant.

PTO-1449

REV: 12/96

ComputerLetter

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Just Plain Bill

The fairly obvious advantages of presenting and paying bills online are stymied for now by technical issues and a standards fight

A couple of years ago in a southern German town, the skeletal corpse of an old man was discovered sitting in an armchair, inside a locked apartment. He'd died two years before, the police determined, yet his TV was still on and the lights on his Christmas tree were still blinking. Neighbors down the hall said the man had been so quiet and so much of a loner that they hadn't noticed his absence, which set newspaper columnists to wondering if people in this modern world were too alienated from one another.

We must admit, we asked ourselves a somewhat less existential question: How could the man's TV and Christmas tree lights stay on for two years if no one was paying the electric bill? We later found out: Germans don't pay for electricity the way most of us do in the U.S. Instead of sending bills and receiving checks in the mail, the utility companies there automatically take money from customers' bank accounts, and even pay the fees required to do so.

A fine system, we'd have to say, virtually eliminating all stamps and paper from the billing process. Perhaps the U.S. will move toward the German model, with deregulation sweeping the electricity market and utilities trying to emphasize customer service. It may be some time, though, before our utility bills go all-electronic. Indeed, one estimate has it that

(Continued on Page Two)

Private Profiles: Escalate

Testing the limits of outsourcing e-commerce functions

Remember the outsourcing mania of the early 1990s, when companies were advised to shed their entire IT departments so they could focus on their "core competencies"? Although activities like application development, training, and hardware maintenance have often been hived off, most companies have hung onto their core information operations. But Web technology is moving faster than corporate information managers can adapt, and outsourcing seems to be gaining new respect. Instead of managing mainframes, the new breed of system operator for hire—often styling itself as an application service provider, or ASP—offers to set up and run a Web-based application at a remote site. Most of the urgency, and thus most of the action, is in online retail operations, and a significant number of large and small companies have jumped at the opportunity to host e-commerce sites.

Of course, e-commerce entails a huge range of activities, from setting up online stores to taking and processing orders, delivering packages, and providing customer follow-up.

Today's service providers typically focus on one or two of those operations. A fair number, for example, will create online stores and process all sales transactions. Others focus on back-end processes like inventory management and distribution. A

(Continued on Page Six)

This Week

Technologic Briefings

PocketCard, X note..... 8

PAYING BILLS ONLINE

Continued from Page One

30% of U.S. households still pay utility bills in person. Our friends at the Yankee Group estimate that just 1.6 million American households pay bills electronically today, but project 10.8 million by 2003.

It isn't in the mail

That may be why we're seeing a great deal of entrepreneurial activity focused on the concept of presenting bills to consumers electronically and allowing them to pay online instead of by mail. Though electronic billing is, as one insider describes it, "something that has been about to happen since 1989," some real momentum appears to be building. J.P. Morgan & Co. reckons that today's \$80 million online bill presentment and payment market will grow to \$2.3 billion by next year. Among the parties jockeying for position are banks, online payment processors, companies selling traditional print-oriented billing software, and a fair number of startups that have devised all-electronic and hybrid paper/electronic bill payment systems.

By one estimate, today's \$80 million in online bill payments will surpass \$2 billion by next year.

Everybody wins

The opportunity they're all eyeing is huge: What with utilities, credit cards, and other statements, it is estimated that the 110 million households in the U.S. currently receive an average of ten bills each per month—and affluent households a good deal more. Each of those bills takes a few minutes to process and costs the consumer 33 cents to mail—an aggravation, if not a major problem, for most of us. But the real incentive for electronic billing lies with the billers, for whom the cost of preparing, printing, and mailing each of those paper bills ranges from 30 cents to 85 cents. American Express, an investor in docs, a leading provider of online billing services, expects that online processing will cut payment costs by 4 cents to 17 cents per remittance. Going electronic, in addition to making life a little easier for

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consumers, would get billers their money faster and reduce errors.

But more is at stake here than simply cutting costs and reducing float. Along with death and taxes, monthly bills are an inevitability of life, which on the Web inevitably translates as "stickiness"—something that brings people back to a site again and again. (Though Intuit and others have done well in exploiting the inherent stickiness of taxes, we have yet to see any startups out to monetize death. But in the current hothouse investing climate, we wouldn't be surprised.)

So it seems to us that the battle over electronic billing is actually over who gets to commercially exploit a regular, ongoing, and direct interaction with customers. What better opportunity to up-sell new products and services, advertise add-ons, and even mend fences when something has gone wrong? Most merchants and utilities rarely get the chance to speak in person with their customers, but all present them with must-see bills. Phone companies have long added folksy marketing brochures to their bills, and now that same kind of selling and relationship-building could be undertaken electronically.

Your move or mine?

The question is, by whom? Will it be the biller or an intermediary who moves the process online? That is the big question hanging over electronic billing right now. It's a stalemate of sorts, while billers and consumers (as represented by a Web portal of some kind) each wait for the other to make the first move toward pushing aside the deep-seated ritual of writing checks in favor of transferring funds electronically. Consumers would likely relish the convenience of viewing and paying bills online, but only if they are not forced to bounce from one Web site to another to deal with each biller separately. Ideally, they'd like to visit one place where all their bills would be ready for viewing—in great detail, if needed—and for paying online.

Clearly, it's technically possible to aggregate disparate billing data on one Web site and present it to customers. But it's not particularly easy given software incompatibilities. What's more, billers would have to give up a certain amount of marketing contact with customers. These issues are

being worked out slowly, with help from the forces of technology and economics, several standards efforts, and the catalytic effect of some new intermediaries.

Paperless tigers

As things stand, utilities and other billers can easily make billing information available to customers online, but so far this is being done mainly for business customers. Companies such as **BillServ.com**, **BlueGill Technologies** (in the process of being acquired by **CheckFree Holdings** for \$250 million in stock), **Derivon**, **edocs**, **Just in Time Solutions**, and **Princeton eCom** (in the process of going public) provide software and services that transform the print-intended output of legacy accounting systems into text and graphics that are ready for CD-ROM or the Web. One of BlueGill's telco customers produces bills that run as long as 40,000 pages of printed paper—or a CD-ROM or two, packaged with its own search and retrieval software. When delivered on the Web, billing information can be linked to helpful outside sources of information—weather analysis, for instance, to help customers interpret electricity bills. What's more, rifle-shot marketing messages can be added.

This print-to-electronic translation business makes sense, at least at first glance. Most large companies built their own billing systems long ago, or purchased commercial packages that can't speak HTML, and now can't be bothered with upgrading them. It's easier to bolt on an outsider's conversion software or simply outsource the entire task to a company that will convert and host the data for online viewing, print paper bills when needed, and even arrange for the necessary lockbox services for collecting payments. Still, judging by Princeton eCom's red herring—the company has never shown a profit in five years and can't say when it ever will—e-billing is not going to be a bonanza anytime soon.

Bank shots

Competition is coming from many directions. Bank Web sites are obvious venues where consumers might wish to view and pay bills. Most institutions now offer Web-based home-banking services, but even for

Will it be billers or intermediaries who lead the effort to move the process onto the Web?

For More Information..

Who's Where and The Archive

Our expectation in preparing each issue of *ComputerLetter* is that something we write will provoke a desire to know more. We want to make gratifying that reaction as easy as possible. Readers who point their Web browsers to our Web site (www.ipsite.com), then navigate to the *ComputerLetter* home page, will find that we offer the following two services:

•**Who's Where**—Click on this button to find contact information and Web-site links for private companies mentioned in the lead feature stories of recent issues. This service is available only to subscribers.

•**Archive**—Visitors to this area of our Web site will find a searchable index of every issue of *ComputerLetter* published since 1995. Subscribers can gain access, free of charge, to PDF images of back issues. Non-subscribers may place e-mail orders for back issues or download a sample issue.

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Aggregators face the challenge of getting bills from many different merchants and presenting them in a uniform way.

giants like Citibank, which has invested around \$400 million in the technology, results have been disappointing. One reason is that consumers have not been able to see all their bills on their home-banking systems, but only those from billers who've enrolled with that particular bank—usually local merchants and utilities. Consumers must still receive a paper bill from those not present, or visit the biller's Web site and then have the bank send a paper check by mail. One company helping even small and medium-sized banks to add universal online bill-viewing and payment is venture-backed Q-Up Systems, which has forged a partnership with Princeton eCom.

Check this out

Yet another group of companies wishing to participate are those that process electronic check payments, such as CheckFree and Intuit. Tell them who to pay and how much, and for a fee, they will write and mail the appropriate check—or, in a small number of cases, send the funds electronically. CheckFree has been particularly aggressive in working the Web, by making its payment services available at Yahoo! and pursuing additional portals. Like banks, these companies have established trusted relationships with consum-

ers, and they have the lockbox facilities that billers require. But they, too, have been unable to give consumers a complete view of their bills online.

There's the rub—and the opportunity. Ideally, consumers would like the freedom to instruct any biller to send their bills to any aggregator and then to have those bills paid with funds from any bank. That's much easier said than done. Any aggregator faces the challenge of how to receive billing information from many different merchants and service providers—each of their data streams formatted and organized in its own peculiar way—and uniformly present all those records on the Web.

In theory at least, it would be easy to present not only this month's bills in high-level summary form and in detail, but also data from all the previous year's bills and analytic data that brings additional value to the overall online experience. With only 12% of U.S. households receiving the same set of bills, though, this would be a programming nightmare. Far too many custom interfaces would be required.

Up for adoption

The alternative would seem to be some kind of widely adopted industry standard. And, as we've seen so often in other markets, there are, in fact, several competing standards. CheckFree has co-authored one of them, called IFX, while a banking consortium made up of Chase Manhattan, First Union, and Wells Fargo has developed one called Spectrum, or The Exchange. Meanwhile, TransPoint, a joint venture of First Data and Microsoft with backing from Citicorp, has offered yet another standard. And there have been others, which have reached varying stages of deployment.

This unsettled state of affairs, as we understand it, has been a primary obstacle in the market's development. And industry insiders believe the standards issue will not be resolved anytime soon, even as demand for online bill paying mounts. Banks, it's clear, don't wish to be left simply processing bills while others, like CheckFree, get closer to their customers. And CheckFree doesn't want to give up its customers to the powerful banks.

It will be an interesting battle, centering mainly around winning—or, in some cases, maintaining—customer loyalties. For instance, Spectrum's three founding banks have a total of 60 million retail and 59,000 merchant customers, which stacks up well against the general population of Web users. But chances are, most consumers spend less time at their banks' Web sites, if they even use them at all, than they do at major Web portals.

Recognize this

What may finally catalyze the online billing business is the recent entrance of a new hybrid player. While the big firms duke it out for supremacy, companies such as **CyberBills**, which operates a service called **StatusFactory.com**; **idealab's PayMyBills.com**; and **Secure Commerce Services**, running **Paytrust.com**, are striving to bridge the gap between paper and the Web.

Their proposition is a simple one. They allow consumers to view and pay bills online without asking merchants and utilities to change anything in the way they produce those bills. The secret is optical character-recognition (OCR) technology, used to convert everyday paper bills into computer form. First, consumers request that their billers mail paper statements to one of these aggregators' data centers. There the bills are opened and their contents scanned into computers. Then all the data is ready to be stored, analyzed, aggregated, processed, and presented in the consumer's Web browser. Consumers can see any level of detail they wish. And they can ask that bills that are the same each month or that fall below a certain amount be paid automatically. Payments are made directly from any bank the consumer chooses.

Mass marketing

These services were all launched over the past year, and their backers are still working out business models and marketing strategies. All three companies charge consumers around \$9 per month to handle a dozen or so bills, and more to service small businesses. In addition to running its own service, **CyberBills** is pursuing private-label deals. One early win is **Intuit**, which is seeking to beef up its **Quicken.com** Web site as other Web-based

personal finance services chisel away at its software franchise.

Clearly, the key to success for these three companies will be to build critical masses of customers as quickly as possible. To hasten the process, they're offering free trials for as long as a year. They're also lining up high-traffic affiliates, such as vertical portals. **PayTrust.com** has even cut a deal to add online bill paying to **Dell Computer's** Web site. Once they're attracting sufficient traffic, though, we could easily see these sites evolving into full-fledged sponsor-supported personal-finance portals of their own.

Will the customer care?

Arrayed against the independent sites are companies trying to give utilities and other large consumer businesses the ability to bill customers themselves and to collect payments online. For many such companies, that ability is a major part of what has come to be called customer care. Inevitably, customers have questions about their bills, and they frequently wish to add or drop services from a particular provider. In the past, telecommunications, financial services, and utility companies have handled such requests on the phone, employing costly call centers.

A startup called **Novazen** is attacking this problem with a technology that allows customers to view their bills using the same system as call-center reps. As with **SilkNet** and other Web-based service firms, the idea is to facilitate customer self-service and keep a lid on call-center costs. **Novazen** has helped one new telco, **TriVergent Communications**, grow from 1,500 to 110,000 customers in just over a year.

Inertial force

Ultimately, nobody knows how quickly consumers will flock to electronic bill paying, even if it becomes as easy and seamless an experience as promised. Like so many technologies, this is one that people may not know they want or need until they've actually seen it in action. And even then, old habits die hard. We still see long lines at our local bank, with many people waiting to make simple deposits to savings accounts. Even now, it seems, technology will have to take its own sweet time to win customers and influence people. ■

A new breed of companies uses OCR technology to convert paper bills to electronic formats.

ESCALATE: OUTSOURCIN EVERY CONCEIVABLE E-COMMERCE FUNCTION

Continued from Page One

few try to be more inclusive. Digital River, for example, provides commerce design, order management, fulfillment, security, direct marketing, and customer service to a client base made up primarily of software publishers, although it's now branching out to sellers of non-digital goods.

Host for all reasons

Year-old startup Escalate tries to do it all. In fact, as near as we or any other observer we've talked with can tell, no other company in this field offers the variety of hosting and management services that Escalate does. Founded by Keng Lim, who also helped launch Approach Software (sold to Lotus in the early 1990s) and Kiva Software (bought by Netscape Communications for more than \$180 million two years ago), Escalate picks up on the ASP model and runs with it. Of course, it offers such standard functions as front-end personalization, online shopping carts, transaction processing, and fulfillment management. But it also pushes out to the furthest reaches of e-commerce, from product procurement to supply-chain and distribution management, employing a combination of home-grown applications, third-party relationships, and in-house consulting services. The vast reach of services that Escalate provides should be a differentiating factor that others will find difficult to match, at least right away. But it could also be difficult for Escalate to manage and control all the activities it addresses.

Breadth and depth

Escalate's six integrated application modules encompass just about everything an online site needs to sell products. To manage the customer experience, there's a contextual selling engine plus interactive point-of-sale, personalization, and customer service features. The e-Store Management module builds private-label stores; provides shopping-cart, checkout, and order-status pages; and computes tax and shipping costs. The order management package includes the transaction engine and fulfillment management

services. The account management unit generates invoices and monitors and analyzes sales and merchandising results.

That's not much different from the offerings of dozens of other companies, including ePod, Vitessa, and YellowBrix—some of the contextual commerce outfits we discussed recently ("Context Wars," January 17, 2000). With its merchandise management offerings, however, Escalate starts to look unusual. That's because this service not only lets merchants select suppliers, products, and prices, but it also helps them manage inventory, make replenishment decisions, and forecast and analyze demand for volume discounts. And a supplier management module includes contract-modeling help and service metrics that give merchants a better handle on their relationships with suppliers and service providers. In essence, Escalate is helping merchants take greater control of their buying and inventory processes, which are notoriously difficult to automate well, as well as operating highly sensitive supply-chain management and back-office functions.

Soup to nuts

That's the home-grown stuff. But Escalate also offers a number of services that make it look something like one of the online marketplaces that are burgeoning across the Web. Its partnerships with logistics service providers, for example, help customers manage warehousing, order fulfillment, order tracking, order-status updates, and product returns. By serving up such functions, Escalate provides access to products from the many suppliers not yet capable of direct fulfillment. Escalate's customer service partners handle a range of call-center activities, and its network of catalog suppliers already funnels more than 5 million products that content sites can sell, with stocking handled by warehouse partners.

In other words, Escalate is cooking up the whole enchilada for online sales. While that's certainly ambitious, it's far from unexpected given the demand for e-commerce outsourcing. Few companies

Escalate offers a breadth of e-commerce services that others will find hard to match.

At a Glance

Escalate

255 Shoreline Drive, Redwood Shores, CA 94065

650-637-0100 • www.escalate.com

President & CEO: Kem Lim

Founded: January 1999 as Just Like TV • **Employees:** 100

Financing: \$30 million in two rounds

Investors: Accel Partners, Borsdale Group, Discovery Ventures, Norwest Ventures. Individual investors include Patrick J. Connolly, executive vice president of Williams-Sonoma; Ron Conway, general partner at Angel Investors; Esther Dyson; Peter Godfrey, CEO and founder of Micro Warehouse; Ben Rosen, chairman of Compaq Computer; Rodney Schrock, CEO at AltaVista; and Stratton Scavos, CEO at VeriSign.

Business: Provides e-commerce applications, services, and related business processes.

try to do it all themselves. According to *The State of Online Retailing*, a report produced last summer by the trade association Shop.org and Boston Consulting Group, 57% of all pure-play retailers have outsourced their inventory/warehousing functions, 51% have outsourced picking/packing efforts, 13% turn to others to handle customer service, and 38% rely on others for product returns. In contrast, while clicks-and-mortar companies tend to retain those services in-house, they do tend to turn to outside firms for site development and maintenance.

First and last

Clearly, both pure-plays and traditional retailers could benefit from outsourcing those functions they don't perform well. Equally obvious, Escalate may be the first one-stop-shop provider of e-commerce services, but it assuredly won't be the last. Potential rewards are just too substantial and the market opportunity all but unlimited. How big is it? Never one to think small, Mr. Lim tells us he expects Escalate to process \$180 billion worth of online transactions by 2005, for which Escalate would receive 3% to 5% in transaction fees, or \$5.4 billion to \$9 billion. While those numbers strike us as fanciful, it's evident that the market for outsourced e-commerce could be hugely lucrative for those who do it well. It's Mr. Lim's task to parlay Escalate's first-mover advantage into market dominance.

That won't be easy, given the fact that

all sorts of companies offer many of the same functions as Escalate. Acquiring the missing pieces could make any one of them aggressively competitive in very short order. In fact, Escalate's only barrier to entry will be the ability to execute and scale quickly enough that its momentum will delay competitive incursions.

Escalate is off to a fast start, thanks to an all-star team of investors, advisers, and managers. How much confidence do customers have in Escalate's management? Apparently, a great deal. Our friends at Quokka Sports tell us that such confidence was a key reason for signing with Escalate when it was still more promise than reality. They haven't been let down. Not only did Escalate realize Quokka's e-commerce efforts within six weeks, but the site also experienced no significant downtime since going live before Thanksgiving. Now Escalate must ensure that it can provide similarly happy experiences as it scales up well beyond its current 13 customers, three of which Escalate has announced.

The thousand cuts

Escalate hopes to pay for expansion with an extraordinarily flexible payment model. To start, all customers must pay a setup fee for the core offering of e-commerce applications, ranging from \$25,000 to \$500,000 depending on the level of complexity and customization. Customers then pay monthly subscription fees as part of their one-year contracts. Escalate also takes a fee that can range from 6% to 12% of the value on every transaction, sometimes based on gross sales, sometimes on margins.

Quokka, which has yet to tap Escalate's suppliers, tells us that it likes the flexibility of making its own vendor arrangements. But word is going about that better-brand suppliers are reluctant to associate with most of the supplier networks now beginning to proliferate because it removes their control over where their products end up. Even so, Quokka and companies like it need reassurance that Escalate will provide quality fulfillment houses at competitive rates. Clearly these are concerns that Escalate must assuage if it hopes to become the trusted host and conduit for all things commercial. ■

Outsourcing has become a way of life for many online and traditional retailers.

BUSINESS ISSUES IN TECHNOLOGY

ComputerLetter

Published by Technologic Partners

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March 25, 1996

Color of Money

Sky-high valuations for spectrum make it harder for entrepreneurs to find strategies that will provide a return on wireless investments

In the great spectrum coloring book all the airwaves are given some rich, attractive hue to reflect their various uses. Not so in the real world, where government auctions push spectrum to the point of being wireless properties that more and more are colored green — for money. The C block auctions for broadband Personal Communications Services (PCS) are the latest example in what is a disturbing trend toward astounding valuations chasing smaller investors out of the field. As our sister publication noted recently (see “Wireless Ventures” in *VentureFinance*, March 1996), the amounts being bid for each potential customer or “POP” in a market has entered nosebleed levels — as much as \$70 in some cases. The result is a disheartening display of powerful interests edging out what little venture money has found its way into wireless investments in the past few years. Or is it? The true situation, and the outlook in the near term for wireless ventures, are both more distressing and more promising than this.

First, the bad news. The C block auctions will no doubt cast a pall over wireless investments, as far as venture capitalists are concerned, for a while to come. Whether foolish speculation or plain aggressiveness on the part of some vested interests was to blame, the result is that some very expensive spectrum is waiting to be turned into profit, and many shake their heads in disbelief that it can be done. But the focus ultimately must move away from such distressing power plays and turn toward the future. More spectrum will in fact

(Continued on Page Two)

Small Change

The world needs a monetary system for online microtransactions

For a sample of the ingenious things people throughout history have used for money, we recommend checking out Fernand Braudel's *Capitalism and Material Life*. In his exhaustive research, the French economic historian turned up so many examples — ranging from cowry shells to scraps of martin skins and bits of leather — that he was led to remark that no exhaustive list could be drawn of all the things that have functioned as money in various societies.

Similar ingenuity seems to be at work in the multifarious efforts to devise a monetary system for online transactions. Most of the work to date has revolved around various schemes to provide security for transactions where online customers use credit cards for their purchases. But these initiatives, which largely involve encryption schemes to prevent sensitive information from falling into the wrong hands, do not create a new monetary system. The process of handing off your credit card number to some online merchant is really little different from presenting it in person. The underlying financial mechanism is the same.

(Continued on Page Six)

Best Available Copy

Looking for a way to pay for microtransactions

(Continued from Page One)

Sales of small slices of data or online time could add up to a lucrative new market.

The problem with this mechanism, regardless of technical improvements, is that it is still closely tied to credit cards and the direct transaction costs, ranging from 20 cents to 50 cents, that pile up every time a card is verified and the accounts of buyer and seller are adjusted. This makes the credit card unsuitable for purchases that are measured in cents or even mills, rather than in dollars — in other words, for the microtransactions that many developers of online services and applications expect to use as the basis of entirely new business models. Even in our analog world, despite paying for most of our purchases with credit cards or checks, we still use metal and paper money to pay for a newspaper, a pack of gum, or a bus ride. The cost to the vendor of accepting a credit card for a 50-cent purchase is simply too high. The problem would be magnified in an online environment where many transactions would involve small slices of information or increments of time, perhaps measured in fractions of a penny.

Slice of life

Proponents of charging for the online equivalent of a slice of pizza, rather than a whole pie, believe these microtransactions could aggregate into a very lucrative market once there is a system in place for tracking them and once people come to accept the notion of paying for a single story, song, photograph, even a single page of a report. We suspect that the pizza maker earns more selling by the piece as long as he has sufficient volume.

Not surprisingly, the biggest fans of microtransactions are content companies that would like to charge for the use of small pieces of their intellectual property. Suppose that rather than having to buy an entire clip art or font package, you could simply choose the sketch or type face you want at any moment from an online catalog and download them on the spot. Maybe the clip art bunny you need for your church's Easter newsletter costs 25 cents per image. For most customers, this makes more economic sense than spending \$40 or \$50 on 1,000 images, many of which they will never use. But the clip art vendor is

betting that come Christmas you will be back for more images, along with thousands of other small publishers. As with other forms of electronic software distribution, the clip art publisher no longer has to pay for pressing disks or fight for shelf space. The emerging business of creating Java applets would seem ideal for this kind of microtransaction as well.

Dilbert to go

Publishers of print material also think their market would expand if users could download only what they want — a favorite comic strip or just the sports section. Getting paid for what is now given away free, their argument goes, would stimulate these content providers to upgrade the quality of what they offer on the Internet. What you get free today is mainly the electronic version of the paper product. Suppose, however, you were offered stories that only appeared electronically or weather reports customized to your particular area. Top poets or writers might bypass the *New Yorker* and publish on the Internet if users were charged a small fee for gaining access to their work.

For game companies, microtransactions might involve selling new levels of an online game or charging players extra for a power sword or extra bullets while they are playing. Our friend Jeff Braun, the founder of *Maxis*, tells us that if there was a way to perform microtransactions cost-effectively, he could sell some of his older products online. Because they are fairly small programs, compared to today's megabyte giants, they are easily downloadable. Keeping these products on retail shelves is difficult and expensive. But new generations of computer users might pay a few bucks to try out *Sim Ant* or *Sim Planet* if they could be bought and paid for online.

But these online equivalents of our real-life microtransactions are waiting in the wings for some cost-effective system to emerge. We have no doubt that such a system can be built; after all, the local telephone company can accurately bill calls — audio microtransactions — down to the minute and present you with an itemized

Schemes intended to create digital currencies end up with transaction costs that are still too high.

bill every month. The telephone switching system is not really flexible enough to provide the customization online buyers and sellers need. But it suggests that with the right setup, it should be possible to bill users economically for transactions that cost considerably less than a dollar.

Today, even those digital cash schemes which attempt to minimize the credit card aspect of the transaction are not yet suitable for microtransactions. Take the fee structure of First Virtual Holdings, which has developed a system for selling information rather than goods. First Virtual's approach is to avoid encryption schemes by keeping your credit card number off the Internet. Instead you shop with what is essentially a PIN number. But each transaction costs the merchant 29 cents plus 2% of the total, which doesn't sound like much of an advantage over credit card costs. Visa and Carnegie Mellon University are working on a system called NetBill whose goal is to make it possible to economically sell documents priced at 10 cents. To succeed, the transaction cost would have to be less than a penny.

Swap meet

Companies like CyberCash, DigiCash, and NetBank are creating schemes where the digital money used for online transactions is not tied to any real financial system. But the cost of the elaborate encryptions and the queries to verify that the digital coins being transmitted are, in fact, legal tender, still make transaction costs too high at

present. NetBank's approach minimizes transaction costs but presents another problem by replacing financial instruments with a barter system. NetBank was created in 1994 to give people and companies a low-cost way to buy and sell items priced under \$100. The company only collects a fee of 2% when money enters or leaves the system. The rest of the time it circulates without charge. A florist who gets paid in digital currency and turns around and uses it to buy a report on the flower industry would not be charged a transaction fee. Nor would the report writer who used her digital currency to purchase a trip to Hawaii. The drawback, however, is the same as with any barter system: Unless you can find a shoemaker who will exchange his shoes for your goat, you can't make a deal. You could end up with a stack of worthless cybercurrency.

Take a card

The lack of universality that is inherent in all of the digital money software implementations carries over to hardware solutions as well. Smart cards, which use integrated circuits to load and keep track of credits and debits, are another way to put digital money into the hands of consumers. Farthest along is the Mondex card that is currently being tested in the United Kingdom by banks such as National Westminster and Midland Bank, in Canada by the Royal Bank of Canada and Canadian Imperial Bank, and in the United States by Wells Fargo Bank. Holders of smart cards

ComputerLetter

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download digital money to the card from an ATM machine. To make a purchase, they hand it to any merchant who has a smart card reader. The merchant runs the card through his machine, removing the price of the purchase. When the card is empty, it can be refilled at the ATM again.

The same process can be adapted for online use. With a special Mondex chip you could download money from your bank account and spend that digital money with any online merchant who is connected to the Mondex server. The merchant uploads these transactions to any Mondex-affiliated bank where it is deposited into his account. Wells Fargo is enthusiastic about the smart card in part because of its ability to enable microtransactions without the overhead required by credit card approvals. But the success of the system depends on Mondex signing up a lot of merchant and bank affiliates which in turn means convincing a customers to put Mondex chips into their PCs.

Meter readers

An equally daunting alternative is being pushed by New York-based **Wave Systems**, which has been working on hardware to meter microtransactions for several years. Wave plans to launch an entire interactive network based on consumers being able to buy pieces of information and entertainment, downloading software and games on a pay-per-use or even a rent-to-own basis. Over time, consumers could build their own customized libraries of content.

The concept starts with encrypted content on a CD-ROM, downloaded from the Internet, or broadcast from a satellite. Wave's technology, resident in the consumer's PC in the form of an add-in board, would decrypt the information as the consumer decides to buy it, then upload usage data to an accounting center which provides publishers with reports on what has been consumed. The problem with the Wave approach, as we see it, is that consumers would have to have a proprietary board in their PCs.

Foreign xchang

One of the big issues companies need to address is what properties of real money need to be transferred to cyberspace and how this transference will take place.

Clearly, there needs to be some universal-ity so that different forms of digital cash and different metering systems are interoperable. Otherwise you would end up with money that is only good for certain transactions or at certain sites; you would have to surf around with an electronic wallet stuffed with different currencies as if you were a 19th century traveler on the Grand Tour.

But even if a system or systems evolve that address the need for different levels of transactions, there is still the sociology of the Internet to overcome. There is a lot of resistance for paying for information on the Net. Even the purists understand that they need to pay Lands End for a sweater, but the idea of paying *USA Today* or *BusinessWeek* for articles that are now free will be difficult to sell.

What price junk?

One solution might be to create a system in which users can be paid for receiving what we now think of as junk mail. With some kind of payment system connected to your mail server, you could ask all those advertisers and political organizations begging for your attention to put their money where their mouths are. We would think that advertisers who might pay you a dime or a quarter for each file of information they dump in your mailbox — as a kind of in-lieu-of-postage fee — would want to provide you with messages that are truly informative and entertaining. Then you could build up a credit account that could be used for microtransactional information or products that you really want.

Another way to break down the bias against online payments might involve selling Internet bandwidth itself. This idea comes to us courtesy of Bob Metcalfe, the inventor of Ethernet and founder of 3Com. Mr. Metcalfe argues that if Internet access were priced low enough — perhaps a digital dime for an online hour or a few pennies for a megabyte file transfer — the arguments of the purists who think bandwidth ought to be free could be overcome. Yes, we know such ideas sound a bit outlandish. But it will take some outside-the-box thinking to come up with a system that resolves both the technical and the sociological problems that microtransactions present. □

Any new system must overcome the resistance of Net users to paying for information.

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publications



Payments Publications Fact Sheet

What is Payments Publications?

Payments Publications is a cooperative effort between the ACH Associations and the National Automated Clearing House Association (NACHA) to provide a comprehensive selection of books, pamphlets, marketing collateral and other educational materials all addressing current payments issues.

What is NACHA?

The National Automated Clearing House Association (NACHA) is responsible for the nation's electronic payments system, the Automated Clearing House (ACH) Network.

Through its regional associations and more than 14,000 member financial institutions, NACHA establishes rules and guidelines for the exchange of commercial electronic payments through the ACH Network and develops marketing plans and educational programs to promote the use of the ACH system. NACHA also sponsors Affiliate Memberships for corporate users and other ACH Network stakeholders.

What Are the Regional ACH Associations?

Regional ACH Associations — whose membership is composed of banks, savings and loans, credit unions, and affiliate companies in a specific region — offer operational assistance, marketing support, and education/training services.

PLEASE NOTE: For comprehensive educational programs and information about membership benefits, contact your local ACH Association.

Alabama ACH Association	Phone 205/324-7976	FAX 205/324-7988	Midwest ACH Association	Phone 800/875-2242	FAX 312/913-2599
American Clearing House Association	Phone 602/340-1600	FAX 602/340-1488	New England ACH Association	Phone 617/338-6370	FAX 617/542-4398
Bank One	Phone 800/528-2890	FAX 217/544-2332	New York ACH Association	Phone 201/319-5402	FAX 201/319-5491
Central Regional Funds Transfer Association, Inc.	Phone 614/457-2204	FAX 614/457-4824	Northwest Clearing House Association	Phone 206/622-7846	FAX 206/622-3197
Chase ACH, Inc.	Phone 813/881-2299	FAX 813/881-8260	Rocky Mountain ACH Association	Phone 303/763-9113	FAX 303/763-9676
ChiaACH, Inc.	Phone 212/559-1465	FAX 212/559-0660	SHAZAM, Inc.	Phone 800/537-5427	FAX 515/248-5828
EastPay, Richmond, VA Office	Phone 800/681-4224	FAX 804/648-5254	South Carolina ACH Association	Phone 803/732-1579	FAX 803/732-4268
Charlotte, NC Office	Phone 704/545-1104	FAX 704/545-5078	Southern Financial Exchange	Phone 504/525-6779	FAX 504/525-1693
Orlando, FL Office	Phone 407/661-5820	FAX 407/661-5821	Southwestern ACH Association	Phone 800/475-0585	FAX 214/720-0029
Electronic Payments Exchange	Phone 415/241-8288	FAX 415/241-4599	Tennessee ACH Association	Phone 615/746-9515	FAX 615/746-0216
First Union ACH Association	Phone 704/590-0500	FAX 704/590-1893	The Payments Authority	Phone 248/879-2222	FAX 248/879-5759
Georgia ACH Association	Phone 404/768-5176	FAX 404/768-4852	Third District Funds Transfer Association	Phone 215/585-6307	FAX 215/585-8387
Harris ACH Association	Phone 312/461-5220	FAX 312/461-2117	TriState ACH Association	Phone 412/833-5418	FAX 412/833-6092
McClon ACH Association	Phone 412/234-7661	FAX 412/236-0504	Upper Midwest ACH Association	Phone 612/549-7000	FAX 612/549-7004
Mid-America Automated Payments System	Phone 216/579-2130	FAX 412/236-7019	VISA USA	Phone 650/432-8624	FAX 650/432-1248
Mid-America Payments Exchange	Phone 816/474-5630	FAX 816/471-7665	Wachovia ACH Association	Phone 336/773-7355	FAX 336/732-4037
Mid-Atlantic Clearing House Association	Phone 410/859-0090	FAX 410/859-3452	Wells Fargo	Phone 213/614-3755	FAX 213/614-3299
			Western Payments Alliance	Phone 650/871-8762	FAX 650/871-9326
			Wisconsin ACH Association	Phone 414/796-0252	FAX 414/796-0272

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Member prices are for members of local ACH Associations. Nonmember prices are as stated. Contact your regional ACH Association for membership information. Prices are good through December 31, 1999.



Publications Coming in 1999!

Implementation Guide for Financial EDIFACT

820/ Wire Transfer Mapping Guide

827 Implementation Guide, Version 4010

Implementation Guide to Lockbox Check Truncation Programs

A series of Guides will be available in 1999, providing organizations with a tool for evaluating and implementing various check truncation programs in remittance processing.

The Guide to the Electronic Bill Payment Process

Results of the Internet Council's Certification Authority Interoperability Pilot

Sarah Returns

The second installment in the Sarah ACH training series. Program will cover proper ACH return entry processing, including RCK.

Publications in this catalog can also be ordered from our website at www.nacba.org.

**Watch your mail for
announcements as these
publications are released,
or call**

Payments Publications at

1-800-487-9180

Rules

1999 ACH Rules

Definitive source for rules and regulations governing the ACH Network. 1999 edition details current rule changes and explains how to comply with these changes in the 1999 Guide to Implementing the 1999 and 2000 NACHA Rule changes. Also included are the Automated Clearing House Agreement, the revised Federal Reserve Uniform Operating Circular, Regulation E and Official Staff Commentary, ACH contact information, the Electronic Funds Transfer Act, and complete indexes. Also included is a section containing information on Federal Tax Deposit Payments. Price includes updates throughout the year. Required reading for all ACH participants. For possible discounts, contact your regional ACH association.

(405) \$28.00 Member/\$50.00 Nonmember

SPECIAL RULES OFFERS:

(628) 99 Rules and RulesLink
\$53.00 Member/\$115.00 Nonmember

(629) 99 Rules and Corporate Rules
\$38.00 Member/\$79.00 Nonmember

(624) 99 Rules, Corporate Rules, and RulesLink
\$68.00 Member/\$150.00 Nonmember

1999 ACH Operating Rules, Corporate Edition

Focuses on rules and information pertinent to corporate ACH payments. This edition includes the 1999 Guide to Implementing the 1999 and 2000 NACHA Rule changes plus sections on ACH system development and originators. For corporations and financial institutions with corporate clients.

(408) \$19.00 Member/\$39.00 Nonmember

Operating Rules of the National Association for Check Safekeeping

Rules governing check safekeeping and truncation, including rights and obligations of participants, keepers, paying bank, facility, clearing house; media and format specifications; adjustment and return procedures. For financial institutions and processors.

(433) \$15.00 Member/\$32.00 Nonmember

NCUIC Compensation Rules & Directory

The National Council for Uniform Interest Compensation Rules on Interbank Compensation govern the settlement of claims between financial institutions for wire transfers, securities, check and automated clearing house transactions arising from misprint or erroneous payments. These rules create an incentive for the prompt return of misprint funds, the timely submission and orderly resolution of claims, and a mechanism for settling disputes. Also included is a directory of compensation contacts at over 220 member financial institutions nationwide and information about joining NCUIC to ensure full coverage for your institution.

(510) \$8.00 Member/\$15.00 Nonmember

Cross-Border Payment Operating Rules (see page 15)

Quest Operating Rules (see page 8)

AAP Test Preparation Materials

AAP Test Preparation

The Accredited ACH Professional (AAP) designation distinguishes its bearers as members of an elite corps of payments system professionals. To assist you in preparing for the AAP examination, administered once in the fall each year, the following recommended texts are offered through the Payments Publications catalog at \$25.00 off the total cover price:

(682) AAP Special: 1998 ACH Rules, Compliance Manual*, Risk Management Handbook, ACH Marketing Handbook, Revised UCC-4A and the ACH Network
\$188.00 Member/\$335.00 Nonmember

For more information about the AAP program, test sites, and registration information, contact your local ACH Association (listed inside front cover) or NACHA at 800/387-9180.

*PLEASE NOTE: THE COMPLIANCE MANUAL IS UNDERGOING REVISIONS. SHIPMENT WILL BE MADE IN APRIL 1999.



ACH 101

If you are just starting out in ACH, the whole system can be pretty confusing. We've put together this special package to help you to unravel the mysteries. Once you've read through these publications, you'll have a clear understanding of how different aspects come together to make the ACH Network the dynamic electronic payments system it is today. You will also understand the operations, risks, and benefits of ACH payments, and be able to communicate these benefits to your customers.

(620) ACH 101 Special Guide to Implementing Direct Deposit Through the ACH Network, Guide to ACH Origination, Risk Management Handbook, Compliance Manual*, ACH Marketing Handbook

\$135.00 Member/\$250.00 Nonmember

*PLEASE NOTE: THE COMPLIANCE MANUAL IS UNDERGOING REVISIONS. SHIPMENT WILL BE MADE IN APRIL, 1999.

Computer-based Reference and Training Aids

(Available in 3 1/2" diskettes. Please specify appropriate format when ordering)

ACH RulesLink for Windows



This Windows-based referencing tool makes complying with NACHA Operating Rules and Guidelines faster and easier than ever by providing instant access to ACH rules and guidelines. The 1998 RulesLink uses hypertext links and search capabilities to enable you to locate particular rules quickly and efficiently. Jump instantly to any relevant cross-references and jump back again. Can't find a certain topic? Type in a key term and RulesLink will do the searching for you. Best of all, RulesLink for Windows allows you to run other applications while you're using it! For corporations, financial institutions, service bureaus, and other ACH participants. (Available on 3 1/2" diskette only.)



(370) \$35.00 Member/\$75.00 Nonmember
LAN license \$125.00

The following four diskettes provide basic training for personnel new to ACH.

ACH Concepts

Windows-Based Training. Updated annually, this computer-based training program provides an interactive introduction to basic ACH concepts. This personal training program introduces ACH participants, processing flow and ACH Rule requirements regarding authorizations, prenotes and NOCs, returns posting, funds availability and addenda records.

(564) \$12.00 Member/\$17.00 Nonmember

Authorizations

Windows-Based Training. This computer-based training diskette explores the issues that must be addressed before originating or receiving ACH payments for consumers and corporations. The interactive question and answer format covers all requirements related to authorizations including: ACH Rule requirements, responsibilities of participants, record retention, revocations and termination and the impact of Regulation E. Updated annually.

(565) \$12.00 Member/\$17.00 Nonmember

Prenotes and NOCs

Windows-Based Training. Updated annually, this CBT addresses the responsibilities of financial institutions and corporations when originating or receiving prenotes and notifications of change. Topics reviewed in the question and answer format include: obligations to verify prenotes, handling returned prenotes and NOCs, issues relating to ACH processors AND comprehensive information on the 1999 NOC Rule Revisions.

(566) \$12.00 Member/\$17.00 Nonmember

Returns and Adjustments

Windows-Based Training. An interactive CBT which examines the responsibilities of financial institutions regarding ACH returns and adjustments. Specific topics explored include: return item requirements, unposted entries, dishonored returns, contested dishonored returns and more. Updated annually.

(567) \$12.00 Member/\$17.00 Nonmember

Set of 4 CBTs: Concepts, Authorizations, Prenotes and NOC, and Returns and Adjustments are available at a special package price.

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New CD Version: Concepts, Authorizations, Prenotes and NOCs, and Returns and Adjustments are now all available on one, convenient, easy to use CD.

(568CD) \$45.00 Member/\$65.00 Nonmember

ODFI Agreements & Policies on Diskette

This ACH resource diskette provides standard ACH agreements for consumer and corporate applications ready for financial institutions to personalize. The agreements have been updated to include new provisions required by the ACH rules, including OFAC and reversals. New this year, the diskette includes a sample general ACH policy, as well as risk and credit policies. Sample consumer debit and credit authorizations for single and multiple accounts is also included. This diskette can help financial institutions save costly development time. Diskette is IBM compatible and includes both DOS and Word formats. Compatible with most word processing software. Includes diskette and index of documents.

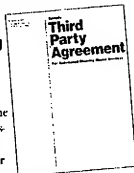
(562) \$50.00 Member/\$100.00 Nonmember

(562CD) On CD \$50.00 Member/\$100.00 Nonmember

Sample Third Party Processor Agreement for Automated Clearing House Services

Provides financial institutions with a "generic" agreement for third party payroll origination, with a goal of limiting the bank's liability to the greatest extent possible. Designed so that it may be signed directly between processor and ODFI, or as a three-way agreement including the originating company. Available in ASCII, DOS or Macintosh versions on diskette. Includes a hard copy.

(501) \$40.00 Member/\$80.00 Nonmember



Internet

The Management of Risks Created by Internet-Initiated Value Transfers

While the Internet offers exciting new opportunities for on-line commerce, there are risks and liabilities that you must be aware of before you decide which avenue(s) of electronic commerce your organization will pursue. Presented by NACHA's Internet Council, *The Management of Risks Created by Internet-Initiated Value Transfers* is a valuable tool developed to assist financial institutions, technology providers, businesses and government agencies to understand these risks and liabilities. Through case studies and four value-transfer models, you will gain an understanding of sound risk management principles that must be applied when Internet-based technology is used to initiate the transfer of financial value through the payments system. Developed by electronic commerce experts, this user-friendly volume also includes: a comprehensive glossary of Internet-related terms and acronyms; a detailed reference section to assist you with further research; the Federal Deposit Insurance Corporation's Electronic Banking Safety and Soundness Examination Procedures. Learn how to protect yourself and your customers from credit, operational and fraud risk — order *The Management of Risks Created by Internet-Initiated Value Transfers* today!

(467) \$50.00 Member/Nonmember

21st Century Money, Banking, & Commerce

As the rapidly evolving worlds of business information technology, electronic commerce, and electronic financial delivery services converge, what seems to be an overwhelming maze of information can confuse even the most savvy business professional. What are the emerging trends? Which will be the most viable ten years down the road? What are the risks involved in electronic commerce? What laws, regulations and pitfalls do I need to be aware of? What is the most profitable mix of services to offer my customers? How does it all fit together?

21st Century Money, Banking & Commerce will deliver information you need to answer these questions — for yourself and your business. You'll gain a comprehensive perspective of the rules that various stakeholders play in blending both established and emerging components of electronic commerce into a harmonious, dynamic, and profitable whole. Empowered by your new understanding of the challenges and opportunities you face, you'll be able to chart the course of your organization and forge your business alliances with confidence. Developed by electronic commerce experts at Fried, Frink, Harris, Shriver & Jacobson and Arthur Andersen, LLP, this 650-page, hardcover volume examines electronic financial products, electronic money, Internet-based payment systems, smart cards, digital signature technologies, privacy considerations, security concerns, and much, much more!

Added Bonus — You can always be up-to-date on the latest legislative, regulatory, security and technological developments in electronic commerce and financial services. Information on how to subscribe to the *E-bankFutures™* online update website will be shipped along with your copy of the book.

(469) \$95.00 Member/Nonmember

Quick Reference

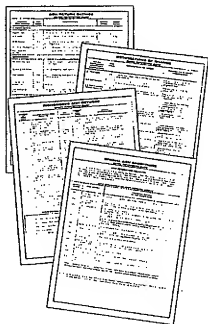
ACH Quick Reference Guide

Updated annually, this handy, plain-English ACH operational guide answers the most common questions related to receiving ACH transactions. The Guide includes an in-depth exception handling section with updated information on NOCs. The 19 page Appendix includes sample forms, agreements and Fedline screens and more. (561) \$18.00 Member/\$32.00 Nonmember

Quick Reference Cards: ACH Returns, Dishonored Returns, NOCs and Special Exceptions (New Artwork)

Four durable desktop reference cards. ACH Returns: provides a reference to return reason codes by problem definition. Provides references to appropriate entry types, as well as the return deadlines. Dishonored Returns: outlines appropriate procedures and applicable codes: NOCs: Updated based on 1998 Rule revisions, identifies NOC codes by problem definition and provides instructions for proper procedures. The New Special Exceptions card covers special handling procedures for ACH Operator Rejects, Automated Enrollment (ENR) Returns and Acknowledgment Entries.

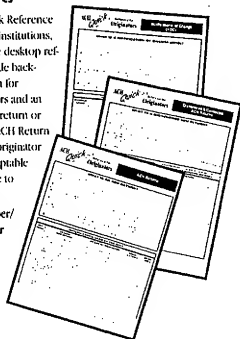
Set of 4 (560) \$15.00 Member/\$30.00 Nonmember



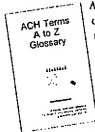
Corporate Quick Reference Cards: ACH Returns, Dishonored Returns, and NOCs

Similar to the Quick Reference Cards for financial institutions, these three durable desktop reference cards provide background information for corporate ACH users and an explanation of the return or NOC reason. The ACH Return card provides the originator with possible, acceptable actions in response to returns received.

(592) \$12.00 Member/
\$24.00 Nonmember



ACH Terms A to Z Glossary



A basic quick reference guide to the acronyms and definitions of many of the technical terms used in the ACH world. Entries include AAP, Access Device, Algorithm, ASCII, Message Authentication Code, Night Cycle, Payment Risk, Trace Number, Unauthorized, XCK, and Zero Dollar Item. Clear definitions and convenient 5 1/2" x 8 1/2" size make this a necessary desk-side reference you won't want to be without.

(525) \$5.00 Member/\$10.00 Nonmember

Quick Reference Card – Re-Presented Check Entries

Desktop reference card outlining the Rules framework for re-presented check entries. Includes interim and final rule requirements and provides instructions for handling improper entries, stop payments and return items.

(595) \$3.00 Member/\$6.00 Nonmember

Return Reason Codes and Notifications of Change (NOCs) Quick Reference Trifold Card

This handy, quick-access trifold card lists the definitions of Return Reason codes, Notification of Change codes and transaction codes.

(634) \$6.00 Member/\$8.00 Nonmember

Risk Management & Compliance

ACH Compliance Manual*

Examines current NACHA rules as well as regulations governing ACH payments. The obligations of Network participants are identified and compliance is discussed. For financial institutions, processors, governments, corporations, and other ACH users.

(431) \$50.00 Member/\$90.00 Nonmember

*PLEASE NOTE: THE COMPLIANCE MANUAL IS UNDERGOING REVISIONS. SHIPMENT WILL BE MADE IN APRIL 1999.



Revised ACH Risk Management Handbook

An updated edition explains the four types of ACH payments risk, assesses the operational implications, and provides guidelines for developing an effective risk management program. For financial institutions, processors, governments, corporations, and other ACH participants.

(414) \$40.00 Member/\$65.00 Nonmember



SPECIAL OFFERS

(627) Compliance Manual and 1999 ACH Rules

\$68.00 Member/\$130.00 Nonmember

(626) Risk Management Handbook and 1999 ACH Rules

\$58.00 Member/\$105.00 Nonmember

(623) Compliance Manual, Risk Management Handbook, and 1999 ACH Rules

\$100.00 Member/\$190.00 Nonmember

UCC 4A Disclosures

According to ACH Rules, RDFIs are required to provide disclosure to their customers that receive electronic "wholesale credit" entries. These standard UCC-4A Disclosures are designed as statement inserts, measuring 3 1/2 x 7 1/2", and come in packets of 500.

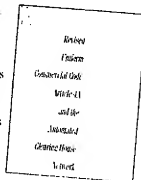
(571) \$15.00 per 500 Member/\$30.00 per 500 Nonmember



Revised Uniform Commercial Code Article 4A and the Automated Clearing House System

New, easy to understand edition. Evaluates the impact of UCC 4A on security procedures and bank/corporate agreements. For financial institutions and corporations that handle ACH wholesale credits.

(432) \$60.00 Member/\$80.00 Nonmember



ODFI Risk Management Guide

The ODFI Risk Management Guide is a 22 page booklet designed to give an overview of the different types of ACH risk, as well as providing information for preparing a risk policy, procedures, and controls for managing ACH risk. Samples of forms are provided as prototypes for your needs. The ODFI Risk Management checklist will assist you in determining your compliance position.

(544) \$5.00 Member/\$8.00 Nonmember

Self-Audit Survival Guide for ACH Rule Compliance

A "fill-in-the-blanks" working document for conducting the internal examination required by the NACHA Operating Rule, Article One — General 1.2 Compliance with Rules; Appendix Seven, Rule Compliance Audit Requirement.

(500) \$18.00 Member/\$35.00 Nonmember



ACH Return Entry Survival Guide

Provides a clear understanding of the ACH return entry process for all participants. Specific sections address rule requirements and time frames for all types of returns. Adjustment entries and "stopping payment" are fully defined with common examples of each situation. Contains an annotated listing of all return codes plus sample affidavit and stop payment form.

(503) \$40.00 Member/\$75.00 Nonmember

Large Value Payments Risk and the ACH Network

Developed by the Settlement Risk Management Task Force, these brochures explain the unique risks associated with use of the ACH Network for large dollar payments. Comparisons are drawn between ACH, checks, and wire transfers. One version is written from a financial institution perspective, the other is from a corporate originator perspective. Ideal for assessing and communicating risk management policies. Please specify which version when ordering.

(MLGLDRFI) Financial Institution version — \$65.00 per 500

(MLGLDRCO) Corporate Originator version — \$65.00 per 500



Self-Audit & Risk Management Evaluation Workbook set

The Self-Audit workbook provides a checklist for conducting an ACH audit, with references to the 1998 ACH Rules, Regulation E and UCC-4A. The Evaluating Your Risk Workbook is a step-by-step approach to understanding potential ACH risk exposure. Includes case studies on credit, operational and fraud risk for group discussion and analysis.

(635) \$75.00 Member/\$100.00 Nonmember

The Reg E Book

This helpful guide explains the impact of Regulation E (a consumer protection regulation) on ACH services. Includes sample disclosures, error resolution advice, and frequently asked questions and answers.
(507) \$25.00 Member/\$50.00 Nonmember

The Reg E Statement Guide Card

This sturdy, laminated quick reference card is a graphic guide to Reg E statement. Includes sample account information disclosure language.
(506) \$4.00 Member/\$4.50 Nonmember

Report of the Settlement Risk Management Task Force: Findings and Recommendations (with Executive Summary)

A comprehensive report defining the numerous types of risks comprising "settlement risk" and how these risks are controllable in check and ACH payment systems. Clearing houses, privately-operated ACH systems, correspondent collection, electronic check presentation, clearing and settlement through the Federal Reserve Banks, federal regulatory agency risk management policies, failure resolution procedures of the Federal Deposit Insurance Corporation — all are addressed in this publication. Never has

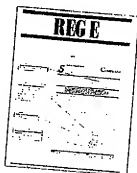
check and ACH settlement risk been so thoroughly researched as in this must have publication.

(675) \$60.00 Member/\$90.00 Nonmember

Assessment of the Risk of Participating in a Check Clearing Arrangement

Various federal regulatory policies and your own prudent management practices require regular reviews of payment systems in which your institution operates. Often these reviews require Board of Directors and senior management involvement and can be cumbersome to perform. This publication represents a "model" form for internal completion that also serves as an outline for your review process of any form of check clearing arrangement in which your institution participates. With the purchase of this form, your institution receives the right to replicate or duplicate the form as often as necessary within the confines of your charter (e.g., individual depository institutions within a holding company would each need to purchase separately).

(677) \$30.00 Member/\$50.00 Nonmember



Assessment of the Risk of Participating in an Automated Clearing House System

While in many respects similar to check clearing arrangements, automated clearing house systems have distinct risk profiles requiring a separate review process. Otherwise, this publication is comparable to Assessment of the Risk of Participating in a Check Clearing Arrangement.

(678) \$30.00 Member/\$50.00 Nonmember



Report of the Settlement Risk Management Task Force: Executive Summary

The highlights without all the details. Perfect for the CEO and senior policy maker.

(676) First copy provided at no charge with the purchase of the Report of the Settlement Risk Management Task Force: Findings and Recommendations; additional copies \$12.00 each Member/\$20.00 Nonmember

SPECIAL OFFERS

(679) Both Assessment Forms and Executive Summary:
\$50.00 Member/\$90.00 Nonmember

(680) All Four Publications: \$110.00 Member/\$180.00 Nonmember

(681) All Four Publications and Revised Risk Management Handbook:
\$140.00 Member/\$210.00 Nonmember

Affidavit of Unauthorized ACH Debit Activity

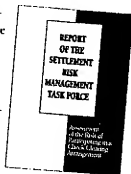
RDPs are required to have a completed, signed affidavit on file before returning a consumer debit entry as unauthorized. The two-part carbonless affidavit comes in packets of 50 and is specifically designed for use when returning unauthorized ACH consumer debits and complies with the ACH Rules.

(570) \$20.00 per 50 Member/\$40.00 per 50 Nonmember

Affidavit of Unauthorized/Improper ACH Debit Activity

This convenient combined affidavit form addresses both unauthorized and improper debits to consumer accounts, including RCK entries, in compliance with the ACH Rules. Two part carbonless form comes in packs of 50.

(550) \$20.00 per 50 Member/\$40.00 per 50 Nonmember



ACH Audit Workbook

For 1998 includes Audit Policy Diskette. This instructive workbook will assist financial institutions in successful completion of the audit required by the ACH Rules. This complete, easy to understand audit tool lists all of the audit requirements, worksheets for conducting the audit, a compliance checklist, a sample audit report and useful operational tips. Additional audit recommendations regarding

Federal Regulation E and Federal government ACH payments as outlined in the Green Book are included. A sample audit policy is provided in hardcopy and on diskette, so it can be easily modified. This diskette can help financial institutions save costly development time. Diskette is IBM compatible and includes both DOS and Word formats. Compatible with most word processing software.

(585) \$65.00 Member/\$130.00 Nonmember

Electronic Benefits Transfer

The Quest™ Operating Rules

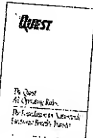
The Quest Operating Rules (Rules) provide a foundation for nationwide electronic benefits transfer (EBT). First approved by the EBT Council in April 1996, they outline the responsibilities and liabilities of the EBT stakeholders that subscribe to the Rules. They provide for standard transaction sets, outline card specifications, contain requirements for funds settlement and system security, and address other key issues that will facilitate movement into the next generation of EBT. This publication is a must for any government or private sector organization with a vision for promoting nationwide EBT.



(461) \$20.00 Member/\$35.00 Nonmember

The Quest Operating Rules: The Foundation for Nationwide EBT Brochure

This educational pamphlet is the authoritative primer on the Quest Operating Rules (Rules). It provides an overview of the key provisions in the Rules, explains the roles of the primary EBT stakeholders and explores the key role that the QUEST Mark will play as the country moves toward a nationwide EBT system. Anyone who wants to know more about the operation of EBT systems and how they can benefit from the Quest Operating Rules should have this publication.



(460) \$2.25 Member/\$4.50 Nonmember

Quest Training Tapes

These audio tapes, which encompass the most comprehensive training session ever offered on the Quest Operating Rules (Rules) for EBT transactions are the quickest, easiest way to learn the nuts and bolts of the Rules. They cover a four hour training session taught by the individuals who are the foremost experts on the topic. Issues covered include: background on the rules, the commercial EFT infrastructure, and a chapter-by-chapter explanation of the Rules.

(463) \$45.00

Commercial POS and ATM Transaction Fees

This paper is a compilation of publicly available information on fees charged in the commercial EFT infrastructure. It explains the roles of the participants, including issuers, acquirers, third party processors and networks and discusses the fee structure currently applied to ATM and POS transaction processing.

(462) \$8.00 Member/\$12.00 Nonmember

Quest Graphic Standards Manual

Definitive source of guidelines for the use and display of the QUEST Mark. Includes permissible colors, sizes, proportions and camera-ready artwork for display of the Mark at the point of sale.

(464) \$60.00 Member/\$95.00 Nonmember

EBT Council Strategic Plan

This publication outlines the EBT Council's plans for addressing the issues facing the next phases of EBT implementation and how the Council arrived at these conclusions. Also includes information on EBT Council membership and EBT-related publications.

(605) First copy is free; additional copies \$8.00 each

Training Programs

Direct Payment for Not-for-Profit Organizations

Originally designed as a half-day training program for financial institutions and not-for-profits, this 17-page instructor's guide is a great primer/executive summary about what it takes to successfully implement a Direct Payment program for charitable contributions. In a presentation format, the guide explains how to develop, implement and market Direct Payment programs for donations. Available with 8 1/2 x 11" paper copies for making overhead transparencies.

(450) \$125.00

ABC's of ACH Video & Workbook

Basic in nature, this thirty minute video is designed for employees new to the electronic payments industry. The video and workbook provide a basic general understanding of the ACH system flow and operations.

(633) \$60.00 Member/\$80.00 Nonmember

Extra Workbook(s) \$5.00 Member/\$8.00 Nonmember

ABC's of EDI Video & Workbook

An introduction to electronic data interchange (EDI), this thirty minute video and workbook present the role of electronic payments in the world of commerce. General knowledge of EDI, participants, how messages are sent, uses and advantages of EDI are covered in this program.

(632) \$60.00 Member/\$80.00 Nonmember

Extra Workbook(s) \$5.00 Member/\$8.00 Nonmember

ABC's of EBT Video & Workbook

This tutorial video focuses on Electronic Benefits Transfer (EBT), the latest technology for the delivery of government aid and benefits to recipients. This technology is a direct result of the Federal and State government's effort to comply with the 1996 Debt Collection Act — a must for every financial institution's staff.

(468) \$60.00 Member/\$80.00 Nonmember

Extra Workbook(s) \$5.00 Member/\$8.00 Nonmember

How Sarah Survived Her First ACH Self-Audit Training Video

This self-paced, easy to understand training program is designed to help financial institutions conduct their own internal ACH audit (as required by the ACH Operating Rules). The program consists of a 37-minute video, workbook, and a copy of the ACH Self-Audit Survival Guide.

(505) \$99.00 Member/

\$199.00 Nonmember

Extra workbook \$10.00 Member/

\$20.00 Nonmember



The ACH Solution Training Kit

This program promises to keep financial institution staff up-to-date on ACH processes, products, responsibilities and rule changes. The training program is designed for anyone involved in ACH products: branch managers, tellers, member services, loan personnel, bookkeepers, beginning operations staff, customer service representatives, personal bankers and platform employees. The kit includes a trainer's manual, overheads, 10 participant guides and illustrative case studies. Additional participant guides are available for a small fee.

(690) \$150.00 Member/\$200.00 Nonmember

Additional workbooks \$5.00 Member/\$7.50 Nonmember

EBT and Quest Training Package

NACHA and the EBT Council are pleased to announce the availability of the EBT and Quest Training Package. The training was developed to assist in educating all EBT stakeholders. The information contained in this package is based on the Quest Operating Rules and its amendments; a 1994 report by the Federal EBT Task Force, which was conducted as part of Vice President Gore's National Performance Review, and other publicly available information concerning EBT. The contents include the basic components needed to understand EBT — why and how EBT is expanding across the country; the history of EBT; the basics of the Quest program; and an overview of the Quest Operating Rules.

The cost breakdown for the package is:

(466) \$150.00 package includes presentation on disk

(466S) \$225.00 package includes presentation on 35mm slides (There will be a delay of at least 2 weeks so the slides can be produced.)

Quest Training for Financial Institutions

The financial institution training package provides an overview of what financial institutions need to know to become involved in EBT.

(485) \$150.00 package includes presentation on disk

(485S) \$225.00 package includes presentation on 35mm slides (There will be a delay of at least 2 weeks so the slides can be produced.)

Newsletters

Payments System Report

Payments industry newsletter is the official source for ACH news. Covers all aspects of payments system including consumer, corporate, retail and wholesale payment applications. The PSR regularly reports on upcoming rule changes, legislative and regulatory developments, policy issues, market research, product developments and proven marketing solutions. Each monthly edition offers original, inside reporting written in a clear, readable style with input from payments industry experts. Available at less than half the price of other financial newsletters. An essential for payments industry professionals.

One year subscription: (211) \$95.00 Member/\$150.00 Nonmember
Two year subscription: (213) \$160.00 Member/\$275.00 Nonmember

Payments System Update

The National Organization of Clearing House's Payments System Update gives current news of Federal regulatory actions (as well as standards activities and other industry action) affecting payments systems in the United States. This periodic news source also focuses on developments in Federal Reserve services by each Fed District.

Regulations... Proposals... Policy Statements... Service Changes... Check Collection... ACH... Fedwire... FedLine... and more. Whether it's happening at the Board of Governors in Washington or your local Fed office, you will find it here.

One year subscription: (PSU) \$60.00 Member/\$100.00 Nonmember

NCUC News

This quarterly newsletter presents news of interest to funds transfer and compliance professionals. Includes regular coverage of interbank compensation developments, money laundering and sanctions regulations, and reserve account management issues. Free to NCUC members.

(NCUCNEWS) \$45.00 Member/\$60.00 Nonmember

Electronic Check

A Guide to Evaluating and Implementing Lockbox Check Truncation in a Closed System

This implementation guide focuses on methods that may be used by remittance processors to increase processing efficiencies within the lockbox setting by reducing collection float and other check collection costs, through the truncation and conversion of paper checks to electronic entries. It provides remittance processor operating requirements, rules and agreements between the parties in a "closed system" and establishes a set of measures for evaluating the costs and benefits resulting from truncation of checks in the lockbox. IT IS STRONGLY RECOMMENDED that a copy of the NACS Operating Rules (product #433, page 2 in this catalog) be purchased when ordering this Guide. (683) No charge

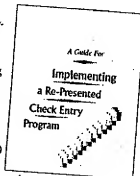
Guide for Implementing a Re-Presented Check Entry Program

Are you tired of wasting time and money trying to collect on checks returned for insufficient funds (NSF)? Now there's a faster, cheaper, more efficient way — re-presenting checks electronically through the ACH Network! *The Guide for Implementing a Re-Presented Check Entry Program* has been developed by experts at the National Automated Clearing House Association (NACHA) to help you take advantage of this new application. In it you'll find everything you need to determine if a re-presented check program is right for your organization and how to comply with the new RCK rules. Topics include:

- Background, benefits and economic incentives
- Issues for originating companies to consider
- ODFI responsibilities
- RDFI responsibilities
- Consumer issues and rights

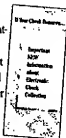
A handy cost/benefit analysis worksheet is also included, as well as lists of frequently asked questions from the financial institution and consumer point of view. The legal aspects of re-presented checks (what's legal, what's not, rights and limitations for all participants), the rule amendments taking effect in 1998 and 1999 and formatting requirements are also covered in depth. If you are a biller, retailer, third party service provider, ODFI, RDFI or legal counsel for any of these, you owe it to yourself and your customers to explore the benefits of this exciting new application.

(451) \$25.00 Member/\$45.00 Nonmember



"If Your Check Bounces" brochure

Developed by the Electronic Check Council, this six-panel brochure explains the electronic check re-presentment process to the consumer in clear, easy to understand terms. The Q&A section addresses the most commonly asked questions about the process. An ideal handout for merchants at the point-of-sale, as well as for distribution by financial institutions. For an additional fee, brochures may be customized with your organization's logo (call for details).



(453) \$65.00 per 500 Member/Nonmember

Affidavit of Improper ACH Debit Activity

Designed specifically for the re-presented check entry application, these affidavits provide the reasons for returning an improper re-presented check entry. The two-part carbonless affidavit is consistent with the ACH Rules and comes in packets of 50.

(594) \$20.00 Member/\$40.00 Nonmember

[new copy, corporate payments page 14]

Marketing

ACH Marketing Handbook: A Guide for Financial Institutions and Companies

This publication offers step-by-step ACH marketing guidelines with separate sections for financial institutions and corporations. Details how to identify potential customers, develop and implement an effective marketing plan, and sell ACH benefits to consumers and to your own organization. Setting realistic goals for sales staff, addressing customer concerns, and achieving a high participation rate also are examined. Includes sample marketing materials that can be adapted for your use plus a complete listing of regional ACH Associations. Essential for ACH marketers and others with bottom line responsibilities.

(830) \$40.00 Member/\$80.00 Nonmember



Managing Media Relations in a Crisis

This guide is designed to assist your organization develop, test and execute a crisis communication plan. The reason most companies, government, non-profits and even individual are ineffective in handling a crisis is they thought "it could never happen to us." With this guide, you'll understand how to address the issues, know whom to call and in what order to alert them, which vendors you can count on to help, and how to develop a means to track the crisis as it grows or abates. A must for every company and financial institution.

(808) \$15.00 Member/\$30.00 Nonmember

A Guide to Implementing Direct Deposit Through the ACH (New Artwork)

A comprehensive introduction to Implementing Direct Deposit. This guide is written in a clear, easy to follow style which addresses benefits, costs, and operational and implementation issues. Also included are promotional suggestions, sample authorizations and implementation checklists. An ideal marketing tool for Direct Deposit.

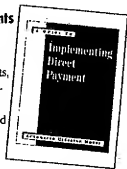
(588) \$5.00 Member/\$8.00 Nonmember



A Guide to Implementing Direct Payments Through the ACH

This Guide is an excellent marketing tool for Direct Payments. Introduces the benefits, costs, operational and implementation issues associated with Direct Payments. Also included are promotional suggestions, sample materials and implementation checklists.

(587) \$5.00 Member/\$8.00 Nonmember



1998 Electronic Payments Review and Buyer's Guide

Formerly the ACH Product Guide, the new and expanded Buyer's Guide is a directory of payments systems services with listings for ACH services, electronic commerce and financial EDI, check and card services, software and Internet solutions funds transfer and EBT services, consultants, third party service providers, and home banking and bill payment solutions. Also include are articles on basic ACH, the state of EDI, an EDI capable questionnaire, a snapshot of the Internet, EBT and the Quest Operating Rules, mandated EFT, and two Bill Payment Services RFPs. For payments systems users who want a convenient all-in-one reference and for advertisers targeting payments system users. The Buyer's Guide can also be found on the NACHA website at www.nacha.org.

(411) Single copies are free, additional copies \$3.50 each.

Authorization Forms

These authorizations are for companies looking for generic authorization forms that market ACH benefits to consumers. The blue direct payment authorizations are bi-fold, 3 1/4 x 6 1/2", and the green direct deposit authorization forms are single fold, 3 1/4 x 7".

Direct Payment/Direct Deposit
(542/543) \$20.00 per 100 Member/
\$30.00 per 100 Nonmember



Operations

Guide to Collecting Lost or Destroyed Checks Through the ACH Network

Guide for originating and receiving financial institutions that want to use the ACH Network for recovery of lost or destroyed checks. Defines XCK entries and eligible items. Reviews benefits, legal issues, implementation procedures, and returns.

(401) \$18.00 Member/\$28.00 Nonmember



Revised ACH Origination Handbook

A guide to assist financial institutions who are new to the ACH arena or considering ACH origination. The handbook focuses on the various issues that an ODFI must understand, such as risk management and technical considerations, as well as the unique aspects of origination as they relate to specific payment applications. For all originators of ACH payments.

(412) \$21.00 Member/\$41.00 Nonmember

The RDFI Handbook: Everything You Need to Know About Receiving ACH Transactions

The *RDFI Handbook: Everything You Need to Know About Receiving ACH Transactions* has the most comprehensive, up-to-the-minute information you need to handle ACH transactions efficiently. How the ACH Network works, transaction flows, rights and responsibilities of the Receiving Depository Financial Institution (RDFI), return reason codes, exception handling and timeframes are all covered in this 90 page softcover book. In addition to the basics, represented check (RCK)

entries, cross-border payments, OFAC

compliance, electronic authorizations, Vision 2000 for the ACH Network and new rules for 1999 are covered in depth. This Handbook is a "must have" reference tool for every financial institution, credit union and savings and loan operations department. In addition to explaining the processes and preparing you for the future, it features a complete list of Return Reason Codes: what they mean and what to do about them, a comprehensive glossary, and a Resource section listing the closest Regional ACH Association that you can contact for help and advice.

(415) \$25.00 Member/\$45.00 Nonmember



Guide to ACH Origination

Updated annually! The Guide to ACH Origination has been reorganized to provide step-by-step information on getting started as an ODFI.

Provides a practical approach to implementation, operational procedures, organizational controls and marketing for all ACH applications. This edition references many new ACH rules impacting ODFIs, indicating appropriate Articles and page numbers. Includes sample contracts, forms and reports.

(569) \$20.00 Member/\$35.00 Nonmember



Electronic Data Interchange (EDI)/Electronic Commerce

Corporate Financial EDI User Guide, Second Edition



More and more companies are demanding that their trading partners be EDI capable. In this second edition, both corporate and financial institution professionals share their collective experience in this rapidly evolving field. With this guide, readers will gain a thorough understanding of financial EDI architecture, ongoing advances in the EDI market and technology, how to select a value-added bank, how to

develop an EDI marketing strategy, and selecting EDI

trading partners. Also includes a FEDI implementation checklist, security checklist, industry group contacts and a model trading partner agreement. For companies using EDI and EDI-capable financial institutions.

(416) \$50.00 Member/\$90.00 Nonmember

Health Care Financial EDI User Guide

Shows health care providers and payors how to take advantage of the benefits of EDI, including cost reductions, materials management, reductions in billing and payment errors, and increase in staff productivity. User-friendly guide covers how to implement a financial EDI program, select an EDI team, choose an EDI-capable financial institution, protect data security, and evaluate whether accounts payable/receivable systems need to be reengineered.

Also included are an EDI Implementation Checklist, an EDI-capable questionnaire, a model Electronic Payments Agreement, and a list of Health Care Industry Groups that can assist with EDI development planning.

(417) \$40.00 Member/\$80.00 Nonmember



EDI Capable Questionnaire

Free questionnaire developed by the Bankers EDI Council, Treasury Management Association and Bank Administration Institute to provide companies with a standard framework with which to evaluate the EDI capabilities and services of financial institutions. Use as an RFP or RFI. (BQUEST) Single copy is free — may be duplicated

820 Implementation Guide, Version 3020

Provides step-by-step instructions on how to build an electronic Payment Order/Remittance Advice using the ASC X12 820 architecture version 3 release 2 (3020). For corporations, financial institutions, processors, and other EDI participants, especially ACH/EDI managers and programmers.

(421) \$35.00 Member/\$55.00 Nonmember



828 Implementation Guide, Version 3020

Provides step-by-step instructions on how to build an electronic Debit Authorization using the ASC X12 828 architecture version 3 release 2 (3020). For corporations, banks, processors, and other EDI participants, especially ACH/EDI managers and programmers.

(435) \$35.00 Member/\$55.00 Nonmember



820 Implementation Guide Version 3040

Provides step-by-step instructions on how to build an electronic Payment Order/Remittance Advice using the ASC X12 820 architecture version 3 release 4 (3040). For corporations, banks, processors, and other EDI participants, especially ACH/EDI managers and programmers.

(449) \$40.00 Member/\$60.00 Nonmember

Mapping Corporate ACH Formats To/From the ASC X12 820 Transaction Set, Version 3020

Guide to mapping NACHA corporate payment formats to or from the ASC X12 820 Payment Order/Remittance Advice Transaction Set, version 3 release 2 (3020), providing detailed instructions for each payment format. For corporations, financial institutions, processors, and other EDI participants, especially ACH/EDI managers and programmers.

(422) \$35.00 Member/\$55.00 Nonmember

SPECIAL OFFERS

(625) 820 Implementation Guide, version 3020 and 820 Mapping Guide, version 3020 and 828 Implementation Guide, version 3020 \$90.00 Member/\$155.00 Nonmember

Introduction to EDI & Financial EDI

Provides a solid introduction to financial EDI concepts, technology, processes, standards, applications, security, benefits and terminology. A must-have primer to build a foundation for understanding and using financial EDI.

(441) \$25.00 Member/\$40.00 Nonmember

Corporate Payment Key Contacts

Free listing of companies that originate and/or receive EDI payments. Includes contact information to assist in the identification of and communication with EDI capable trading partners.

(BKEYLIST) Single copies are free

Tax Payment (TXP) Banking Convention

This publication provides business taxpayers, taxing authorities and financial institutions with the TXP banking convention format to be used by companies to remit tax payments and payment information electronically to taxing authorities via ACH credit using the CCD+ format. Includes data element (field) descriptions, background information, examples, reference sources and information, and the approved convention implementation specifications for Federal (EFTPS) and state (or local) tax payments.

(427) \$20.00 Member/\$30.00 Nonmember

Child Support Application Banking Convention: A Guide for Employers & Their Financial Institutions

This publication provides employers and their financial institutions with the current formats, definitions and implementation recommendations to electronically remit child support payments and payment-related information using the CCD+ and CTX formats according to the standards and conventions supported by the banking and child support enforcement communities.

(42096) \$24.00 Member/\$38.00 Nonmember

Child Support Banking Convention: A Guide For Child Support Entities & Financial Institutions

This publication provides child support entities and their financial institutions with the current formats, definitions and implementation recommendations to electronically remit interstate child support payments and payment-related information using the CCD+ and CTX formats according to the standards and conventions supported by the banking and child support enforcement communities.

(470) \$30.00 Member/\$45.00 Nonmember



Electronic Dealer Drafting Banking Convention

Convention to be used with CCD+ format by automobile dealers to purchase vehicles via ACH credit. Outlines format, shows how to cut costs, improve efficiency, control cash reserves, and facilitate automation of floor planning systems. For EDI users in the auto industry and their financial institutions.

(428) \$15.00 Member/\$25.00 Nonmember

EDI Payments Capable Guidelines

Assists banks in developing an EDI-capable strategy. Surveys EDI/EFT payment and data alternatives. For financial institutions that want to evaluate current EDI services or consider their business potential to meet the financial EDI needs of their business customers.

(429) \$22.00 Member/\$38.00 Nonmember

EFTPS for Financial Institutions

EFTPS for Companies

Electronic Commerce and EDI: Strategies and Opportunities

(see page 16)

Corporate Payments

Corporate Guide to ACH Origination

Step-by-step information for the corporate ACH originator. Discussions include the basics of ACH, payment applications, formatting and software concerns and hints on getting started with an ACH origination program. Detailed exception handling information from the Originator perspective. Sample contracts and authorization forms are also included. An excellent resource for corporations and financial institutions alike.

(593) \$20.00 Member/\$35.00 Nonmember



ACH Corporate User Guide

Covers the basics of ACH corporate payments, including corporate payment applications, responsibilities of participants, exception processing, technical specifications, acknowledgements, cross-border payments, reclamation entries, re-presented checks, EFT 99 and EFTPS.

(540) \$40.00 Member/\$80.00 Nonmember

ACH Corporate Profiles

Case studies of corporate payment applications describe ACH benefits to companies. For sales calls or use with other marketing materials. For financial institutions, others who need to educate corporate ACH users. Packaged in bundles of 30.

(430) \$5.95 Member/\$10.95 Nonmember

Cross-Border Payments

Passport to Cross-Border Payments

This quick reference guide contains Frequently Asked Questions and relevant terms for companies who want to originate and receive cross-border ACH payments. Issues addressed include: roles and responsibilities of cross border participants, benefits of cross-border payment mechanisms, liabilities and warranties and legal issues. Also available electronically from the NACHA home page (www.nacha.org).

(475) \$5.00 Member/\$8.00 Nonmember

Ticket to Cross-Border Payment Services

This booklet is your organization's source for providers of an array of cross-border payment services. Entities that benefit from using the Ticket are companies searching for financial institutions capable of sending or receiving cross-border payments, financial institutions in need of a cross-border payment software application or a Gateway Operator to execute cross-border payment transfers, or other parties looking for additional information on cross-border payment services available in the market.

(478) Single copy free — additional copies \$2.75 each

Bill Payments

ACH Rules Guide for Direct Payment Programs

A guide for financial institutions and companies to use in conjunction with the ACH Rules when implementing a direct payment program. Issues related to authorization requirements, warranties, revocation of authorization, unauthorized debit transactions, variable amount debits and prenotification requirements are addressed. An explanation of the rights and obligations of both biller and consumer in relation to the ACH Rules and Regulation E as well as a sample authorization agreement form are included.

(442) \$20.00 Member/\$40.00 Nonmember

Guide to Joint Marketing Programs for Direct Payment

This step-by-step implementation manual is designed to help financial institutions and companies execute joint marketing of direct payment programs. Topics covered include the benefits of direct payment through joint promotion, marketing strategies, how to recruit partner financial institutions and companies, developing marketing materials, and administration of the joint program. The guide also includes a sample implementation schedule, sample authorization forms and collateral materials, and a program implementation checklist. For financial institutions and companies interested in the cost savings and rewards that joint marketing can deliver.

(445) \$20.00 Member/\$40.00 Nonmember

Billers' Guide to Electronic Consumer Bill Payment

The Guide offers step-by-step instructions on how billers can incorporate electronic remittance processing into their current processing systems. All aspects of the consumer home banking and bill payment industry, its impact on the remittance process, processing alternatives and evaluating and implementing these alternatives are covered. The guide also includes marketing tips, an explanation of how consumer-initiated bill payments programs operate, evaluation criteria for selecting an electronic remittance processing partner and a cost benefit analysis template. For service providers, companies that receive consumer payments and financial institutions that wish to encourage their corporate customers to initiate electronic consumer bill payments.

(440) \$40.00 Member/\$80.00 Nonmember

Electronic Bill Payment Services Private-Label Provider Questionnaire

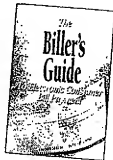
Free questionnaire developed by the Bill Payment Council to provide financial institutions and other organizations a standard framework with which to evaluate and compare bill payment services for private-labeling to their customers. An essential tool in the preparation of a Request for Proposals (RFP) or Request for Information (RFI) in the bill payment arena.

(481) Single copy free — may be reproduced

Electronic Bill Payment Services Remittance Processing/Concentration Questionnaire

Free questionnaire developed by the Bill Payment Council to provide billers and other organizations a standard framework with which to evaluate and compare the concentration and remittance processing capabilities of bill payment service providers, including financial institutions. An essential tool in the preparation of a Request for Proposals (RFP) or Request for Information (RFI) in the bill payment arena.

(482) Single copy free — may be reproduced



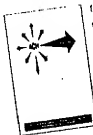
Promotional Materials

PLEASE NOTE: PROMOTIONAL MATERIALS ARE SHIPPED BY WEIGHT, NOT QUANTITY. PLEASE ASK FOR A QUOTE WHEN ORDERING.

Brochures

Informative brochures explain the costs and benefits of implementing or expanding ACH direct deposit and other programs. Printed on high quality cover stock, these materials are easy to read and focus on corporate savings and implementation issues. Excellent for use as a "leave behind" for corporate calling officers.

An Introduction to ACH



A professional and informative brochure that explains the ACH Network and how companies benefit from using electronic funds transfer. This publication explains the fundamentals of ACH... How the system works... who participates... as well as unfamiliar ACH terms. The use of Direct Deposit, Direct Payment, cash concentration, corporate payments and POS applications are summarized and the many benefits and savings realized by companies that implement these applications are highlighted.

(586) \$3.50 Member/\$7.50 Nonmember

"Direct Deposit — It's Money In The Bank"

This 6 x 9" Corporate kit addresses implementation and cost/savings issues associated with a payroll direct deposit program. Kit includes a cost/benefit analysis sheet, sample brochures and an article explaining employee benefits of signing up for direct deposit. 16 pages.

(MCRPKTS) \$2.75 each

"Direct Deposit — Maximizing Employee Participation"

A 6 x 9" brochure that explains strategies for boosting participation in an existing direct deposit of payroll program. Learn what other companies have done to obtain employee usage rates higher than 85 percent. Sample promotional materials included. Eight pages.

(MBROCH194) \$2.00 each

Two new guides to explain the Federal Government's mandate for Direct Deposit to customers and members. Both guides were created and carefully edited with sensitivity to the concerns of both banks and credit unions.

A Guide to Talking to People About Government Direct Deposit or My Check's Not in the Mail

Ideal for your employees that are having difficulty explaining the government mandate for Direct Deposit. This 3-color, 16 page, 5 1/2" x 8 1/2" booklet is a straightforward reference for tellers, customer and member services representatives and employees of government agencies to use. How Direct Deposit works and its benefits are explained in easy-to-understand language. Commonly asked questions are also answered.

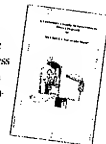
(596) \$10.00 per 25 Member/\$20.00 per 25 Nonmember



A Consumer's Guide to Direct Deposit

Been looking for information to provide you seniors and community groups? This 2-color, 16 page, 5 1/2" x 8 1/2" booklet is a plain-English guide that explains the benefits and enrollment process for Direct Deposit. Written in a simple question and answer format, fees, payment dates and confidentiality issues are covered. Approved by Mike Johnson, Director, Payment and Recovery Policy Staff, Social Security Administration as a direct hit for the target audience.

(597) \$10.00 per 25 Member/\$20.00 per 25 Nonmember



Electronic Commerce and EDI: Strategies and Opportunities

This 12-page booklet is designed for financial institutions to distribute to their corporate customers who are interested in taking advantage of the cost-savings and efficiencies of EDI. Explains what EDI is, what it can do for operations, how to start using it and how to use it for payments, collections and disbursements. Comes with a back cover pocket for inserting custom information.

(458) \$2.75 each



Financial EDI for Financial Institutions

This 8-page booklet explains why financial institutions should become EDI-capable, what EDI-capable means, the 1996 Debt Collection Improvement Act and who it affects, the new ACH remittance processing rule and how to become EDI-capable. Also includes contact information and handy definitions of terms. (471) \$1.75 each

EFTPS for Financial Institutions

This 12 page booklet is designed for financial institutions to distribute to staff to educate them about EFTPS. A great help for those who answer corporate customer inquiries. Explains what it is, how it works, payment options, compliance schedules, and risk management tips.

(455) \$2.75 each



EFTPS for Corporations

This 8 page booklet explains what EFTPS is, how it works, payment options and compliance schedules and answers to frequently asked questions. Ideal for financial institutions to distribute to their corporate customers.

(456) \$2.25 each

"Direct Deposit of Dividends — A Benefit Your Shareholders Will Thank You For"

In this 6 x 9" brochure, learn how companies are enhancing investor relations while cutting costs. Advice from corporations that have already implemented successful dividend direct deposit programs. Eight pages.

(MBROCH2) \$1.00 each

"Direct Deposit — Expanding Your Direct Deposit Program to Include Pensions and Annuities"

This 6 x 9" brochure explains how many companies have eliminated problems and costs associated with lost, stolen, and other errant check payments for pensions and annuities. Corporate savings examples from direct deposit usage included. Eight pages.

(MBROCH3) \$1.00 each

PLEASE NOTE: PROMOTIONAL MATERIALS ARE SHIPPED BY WEIGHT, NOT QUANTITY. PLEASE ASK FOR A QUOTE WHEN ORDERING.



"Direct Payment"

A 6 x 9" brochure that analyzes ACH bill payments benefits for companies, consumers, and financial institutions. Financial institution version is an excellent training aid for institution employees. Company version is also a handy marketing tool. Eight pages; sample promotional materials included

(M800CYM) for Companies \$2.75 each

(M800FIM) for Financial Institutions \$2.75 each

Consumer's Guide to Direct Deposit

This handy pamphlet explains the benefits of and consumer's rights and protections when participating in Direct Deposit. Developed by the Federal Reserve Banks, the brochure is available on disk (Mac format only) for free if you'd like to print your own supply. Call 314/444-8464.

(MDDCNSMR) \$150.00 per thousand

Consumer's Guide to Direct Payment

This handy pamphlet explains the benefits of and consumer's rights and protections when participating in Direct Payment. Developed by the Federal Reserve Banks, the brochure is available on disk (Mac format only) for free if you'd like to print your own supply. Call 314/444-8464.

(MFEDBR) \$150.00 per thousand



Posters

Colorful promotional posters can help your organization get the word out about the convenience of direct deposit. Employees will realize how much time they have been wasting on payday when they see these four-color posters proclaiming, "Why Cut Your Lunch Hour In Half? Get Direct Deposit." Poster comes in three formats:

(MPSTRL2) 22 x 28" Poster w/Half-sandwich (70 lb. cover stock). \$3.50 each

(MPSTERS) 8.5 x 11" Poster w/Half-sandwich (70 lb. cover stock). \$2.00 each

(MPSTERE) 8.5 x 11" Poster w/Half-sandwich (Self Standing/Easel-Backed). \$3.00 each

"Let Someone Else Pay Your Bills For A Change" posters

Colorful promotional posters can help your organization get the word out about the convenience of Direct Payment. Consumers will realize how much time and money they have been wasting processing bills when they see these eye-catching four-color posters. Available in three formats:

(MPSTDP2) 22 x 28" Poster w/cartoon beach scene (70# cover stock). \$4.00 each

(MPSTDP2) 9 x 12" Poster w/cartoon beach scene (70# cover stock) \$2.25 each

(MPSTDPSP) Spanish version.

(MPSTDP2) 9 x 12" Poster w/cartoon beach scene (Self-Standing/Easel-Backed). \$3.25 each

(MPSTDPSP) Spanish version.



Stuffers And Pamphlets

Choose from a variety of statement/paycheck stuffers and informational pamphlets that help convince people to sign up for direct deposit and direct payment. Each 3 1/2" x 6" stuffer explains the major benefits of using direct deposit and electronic payments. Pamphlets answer some of the most commonly asked questions about direct deposit and direct payment programs.

You may have statement stuffers imprinted with your logo and/or custom type. Cost to imprint is \$65.00 one time set-up fee, plus and additional \$7.00 per thousand. Camera ready artwork must be supplied to NACHA.

"Why Cut Your Lunch Hour In Half? Get Direct Deposit" stuffer

This four-color leaflet explains the convenience issues associated with direct deposit of payroll. Can be used by financial institutions and corporations to obtain direct deposit acceptance. Single page, front and back.

(MSNDST2) \$35.00 per thousand



"Why Cut Your Leisure Time In Half? Get Direct Deposit" stuffer

Features a cross-section of a golf ball to show pension, annuity, and retirement benefit recipients what they're missing if they don't have direct deposit. Copy outlines benefits. Single page, front and back.

(MGLFST2) \$35.00 per thousand



PLEASE NOTE: PROMOTIONAL MATERIALS ARE SHIPPED BY WEIGHT, NOT QUANTITY. PLEASE ASK FOR A QUOTE WHEN ORDERING.

"Direct Deposit" generic stuffers

More than 30 million of these two-color stuffers have been distributed in the last two years. Highlights the safety, convenience, and reliability of direct deposit for employees. Single page, front and back.

(MSTUFR2) \$35.00 per thousand

"Let Someone Else Pay Your Bills For A Change" stuffer

Features a cartoon beach scene of a father lounging in a beach chair and spinning a beach ball on his fingertip while his daughter looks on admiringly. This four-color leaflet explains the convenience issues associated with Direct Payment. Can be used by businesses/financial institutions and utilities to promote Direct Payment. Single page front and back.

(MISECAR) Version A: Cartoon \$35.00 per thousand

(MISECARSP) Spanish version

"Why Take Your Chances" Direct Payment Fraud Prevention stuffer

Features tips consumers can follow to avoid ACH fraud and "live worry free, saving time and money."

(MCFST) \$35.00 per thousand

"Electronic Payments — Reducing Waste in the Payments System" ecological stuffer

Printed on recycled paper, this stuffer explains the various ways electronic payments promote a healthy environment.

(MECOSTF) \$35.00 per thousand

"An Employees Guide To Direct Deposit" pamphlet

A six-panel information pamphlet provides a direct deposit Q & A for employees. Addresses safety and convenience, and explains the direct deposit process. Two color on 70 lb. text stock.

(MEMPLE2) \$150.00 per thousand

"An Employers Guide To Direct Deposit" pamphlet

Uses Q & A format to explain corporate benefits of implementing a payroll direct deposit program. Addresses cost, savings and reliability issues. Two color on 70 lb. text stock.

(MEMPLER) \$150.00 per thousand

PLEASE NOTE: PROMOTIONAL MATERIALS ARE SHIPPED BY WEIGHT, NOT QUANTITY. PLEASE ASK FOR A QUOTE WHEN ORDERING.

"Direct Deposit Goes to the Bank So You Don't Have To" pamphlet

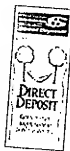
Two-color, six panel brochure explains the safety, convenience, and reliability of Direct Deposit. Also dispels common myths versus realities. Available in Bank, Credit Union, and Spanish versions.

\$150.00 per thousand

(MNYBRFI) Bank version

(MNYBRUCU) Credit Union version

(MNYBRSP) Spanish version



"Safer. Faster. Smarter. Direct Deposit!" stuffer

Two-color stuffer reminds employees how convenient Direct Deposit can be. Available in Bank, Credit Union and Spanish versions.

\$35.00 per thousand

(MNYSTFI) Bank version

(MNYSTCU) Credit Union version

(MNYSTSP) Spanish version



"Where did I put that paycheck" stuffer

Two-color cartoon stuffer reminds employees how convenient Direct Deposit can be. Available in Bank, Credit Union and Spanish versions.

\$35.00 per thousand

(MNYCARFI) Bank version

(MNYCARCU) Credit Union version

(MNYCARSP) Spanish version



Direct Deposit Videos

"Direct Deposit: Make My Life Simpler" video

New and existing employees will learn why they should sign up for direct deposit. VHS video explains why direct deposit is a convenient, safe, and reliable alternative to receiving a check on payday. Running time: five minutes.

(MVIDEO) \$15.00 each

"Direct Deposit — Do Yourself a Favor" video

Explains benefits of direct deposit of payroll to employees. 6 minute or continuous one hour loop VHS format. For lobby promotion or in-house training at financial institutions. Also available in Spanish.

(424-E/S) \$15.00 each; one hour loop \$20.00

Magnets, Keychains, & Other Specialties

Specialty items are a great way to attract attention to direct deposit or direct payment drives or promotional campaigns. These colorful items help spread the word about electronic payment benefits.

"Why Cut Your Lunch Hour In Half? Get Direct Deposit" T-Shirts

These all-cotton, four-color T-shirts use the same artwork as the direct deposit posters. Direct Deposit logo on front, half sandwich on back. (MTSHR-L2/X2) Sizes: LG, XL \$10.00 each

"Let Someone Else Pay Your Bills For A Change" T-Shirts

These all-cotton, four color T-shirts feature the same artwork as the Direct Payment poster. Direct Payment logo on front, cartoon beach scene on back.

(MDPTS) Sizes LG, XL \$10.00 each

"Direct Payment" Polo Shirts

These all cotton knit shirts display a small Electronic Payments logo on the left front breast. Colors: hunter green and navy blue. Please specify size and color when ordering.

(MPOLO) Sizes: LG, XL \$19.00 each

Direct Deposit Teddy Bear

This adorable, brown plush, 7" high teddy bear wears a "Safer, Faster, Smarter" Direct Deposit t-shirt. Great for prize drawings and special promotional giveaways.

(MBEAR) \$9.00 each



"Direct Deposit-Safe, Reliable, Convenient" keychains

Colorful key rings highlight the safety, convenience, and reliability associated with direct deposit. Bright colors.

(MKCHAIN) \$.60 each

"Safe, Reliable, Convenient" refrigerator magnets

Use as a giveaway or as part of your promotional efforts. Specify "Direct Deposit", "Direct Payment", or "Electronic Payments" logo when ordering.

(MAG) Direct Deposit \$.20 each

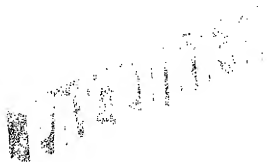
(MAGDP) Direct Payments \$.20 each

(MAGEP) Electronic Payments \$.20 each

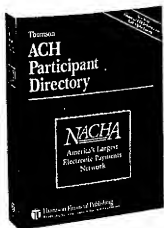
"There's Never Been A Better Time for Direct Deposit" balloons

These 11" balloons can help your promotional program soar.

(MBAL) \$.20 each



Increase Productivity and Lower Operational Costs



How our ACH Solutions are used

- Verification of routing numbers and ACH eligibility before sending ACH transaction or remittance
- Setting up and regular origination of direct deposits for payroll
- Initiation of automatic debits for insurance premiums
- Remittance processing, where customers have accounts debited to pay their utility bills, for example
- Identification of addresses & phone numbers for Notifications of Change (NOC)
- Resolving problems related to ACH origination, including returns, reversals and adjustments
- Check truncation and electronic presentation by ODFIs
- Cash concentrations as set up by a corporate cash manager
- Ascertaining if a financial institution is EDI capable
- Processing of accounts payable electronically

We can make your job easier.

ACH origination is growing as the quicker, less expensive method of processing regular recurring payments, such as:

- payroll direct deposit
- loan payments
- utility payments
- insurance premium remittance

Thomson Financial Publishing provides up-to-date solutions tailored to your operations and designed to facilitate the accurate origination or representation of ACH transactions.

Work with the experts.

Thomson Financial Publishing, the leading provider of reference information on financial institutions, works in coordination with the National Automated Clearing House Association (NACHA) to produce the most accurate and dependable ACH information. NACHA is the non-profit trade association that establishes rules and guidelines for the exchange of commercial electronic payments through the ACH network.

Thomson's ACH Solutions



Thomson also offers its ACH information several formats for your convenience:

- Filter Files that can be integrated into your existing processing programs to automatically validate and format the routing number before placement into the ACH network.
- PC-based Software for look-up & reference on your desktop
- Thomson's print ACH Participants Directory indexes the information both numerically by routing number and geographically by state
- All designed for reducing payment processing costs and improving cash flow through accelerated collection of funds.

CALL NOW AND SAVE.

DIAL 1-800-443-2824 NOW!

Don't put your organization at risk with questionable information. Keep the most precise ACH data right at your fingertips. *Order your subscription today.*

Phone () _____
FAX () _____

Payments

703/787-0996 or 703/742-8713

Order Form

ITEM #	PRODUCT	SIZE/COLOR	PRICE	QUANTITY	\$ AMOUNT
1	100% COTTON T-SHIRT	XL / WHITE	12.99	1	12.99
2	100% COTTON T-SHIRT	M / WHITE	12.99	1	12.99
3	100% COTTON T-SHIRT	L / WHITE	12.99	1	12.99
4	100% COTTON T-SHIRT	S / WHITE	12.99	1	12.99
5	100% COTTON T-SHIRT	XL / WHITE	12.99	1	12.99
6	100% COTTON T-SHIRT	M / WHITE	12.99	1	12.99
7	100% COTTON T-SHIRT	L / WHITE	12.99	1	12.99
8	100% COTTON T-SHIRT	S / WHITE	12.99	1	12.99
9	100% COTTON T-SHIRT	XL / WHITE	12.99	1	12.99
10	100% COTTON T-SHIRT	M / WHITE	12.99	1	12.99
11	100% COTTON T-SHIRT	L / WHITE	12.99	1	12.99
12	100% COTTON T-SHIRT	S / WHITE	12.99	1	12.99
13	100% COTTON T-SHIRT	XL / WHITE	12.99	1	12.99
14	100% COTTON T-SHIRT	M / WHITE	12.99	1	12.99
15	100% COTTON T-SHIRT	L / WHITE	12.99	1	12.99
16	100% COTTON T-SHIRT	S / WHITE	12.99	1	12.99
17	100% COTTON T-SHIRT	XL / WHITE	12.99	1	12.99
18	100% COTTON T-SHIRT	M / WHITE	12.99	1	12.99
19	100% COTTON T-SHIRT	L / WHITE	12.99	1	12.99
20	100% COTTON T-SHIRT	S / WHITE	12.99	1	12.99

total	\$	
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Be sure to visit our website at: <http://www.nacha.org>

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